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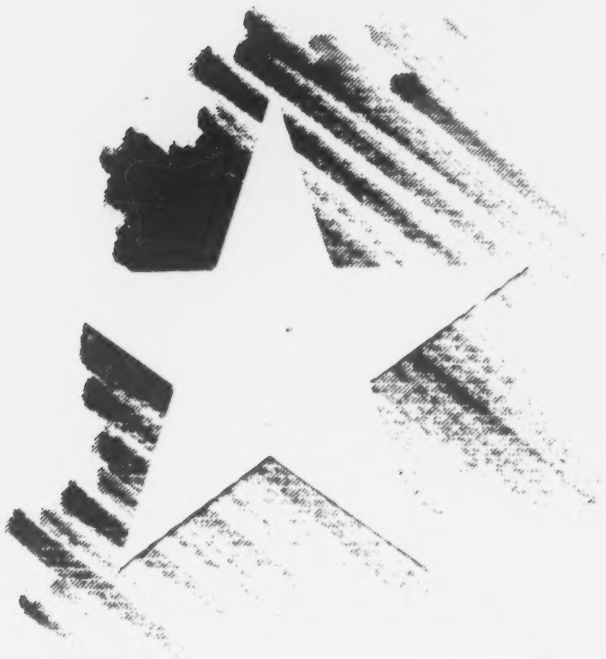
1991
Annual Report



Texas Department of Insurance

Texas Department of Insurance
333 Guadalupe Street P.O.Box 149104 Austin,Texas 78714-9104
512/463-6169

February 7, 1992

The Honorable Ann W. Richards
Governor of Texas
Capitol Building, Room 200
Austin, Texas 78701

Dear Governor Richards:

We are pleased to submit the 116th Annual Report of the Texas Department of Insurance, for the year ended August 31, 1991, in compliance with Section 12, Article 1.10, *Texas Insurance Code*, and Section b, Article 1.25, *Texas Insurance Code*. The report includes statistical data on workers' compensation insurance as required by Article 5.58A, *Texas Insurance Code*.

Part V, the agency's annual financial report, was submitted under separate cover on December 9, 1991, in compliance with the General Appropriations Act, Article V, and in accordance with Comptroller of Public Accounts requirements. Because the financial report will be audited by the State Auditor as part of the audit of the statewide annual financial report, an opinion has not been expressed on the financial statements and related information contained in this report.

Copies of this report are being filed simultaneously with the State Auditor, State Treasurer, Legislative Budget Board, Comptroller of Public Accounts, Legislative Reference Library and State Library. Members of the Legislature will be notified of the report's availability as required by the *Texas Insurance Code*.

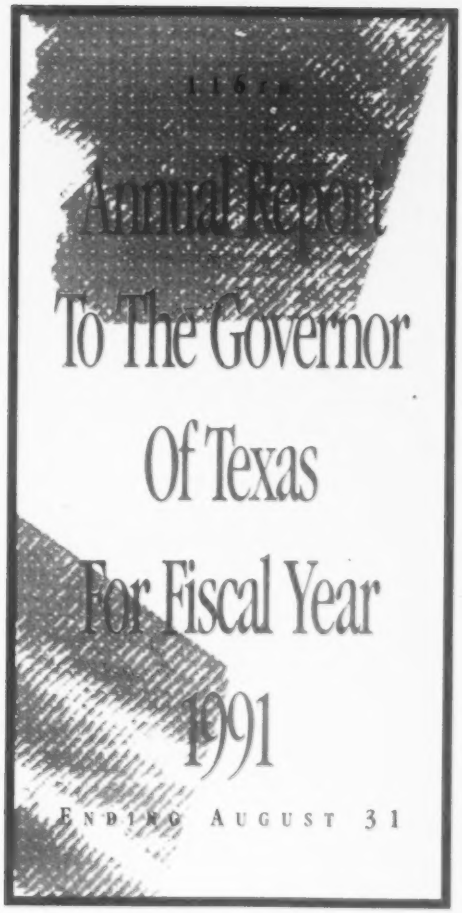
If you have questions about the contents of this report or affairs of the Texas Department of Insurance, we will be happy to respond.

Claire Korioth, Chair

Richard F. Reynolds, Member

Allene D. Evans, Member

Georgia D. Flint, Commissioner of Insurance



Claire Korioth *Chair*
Richard F. Reynolds *Member*
Allene D. Evans *Member*

Georgia D. Flint
Interim Commissioner of Insurance

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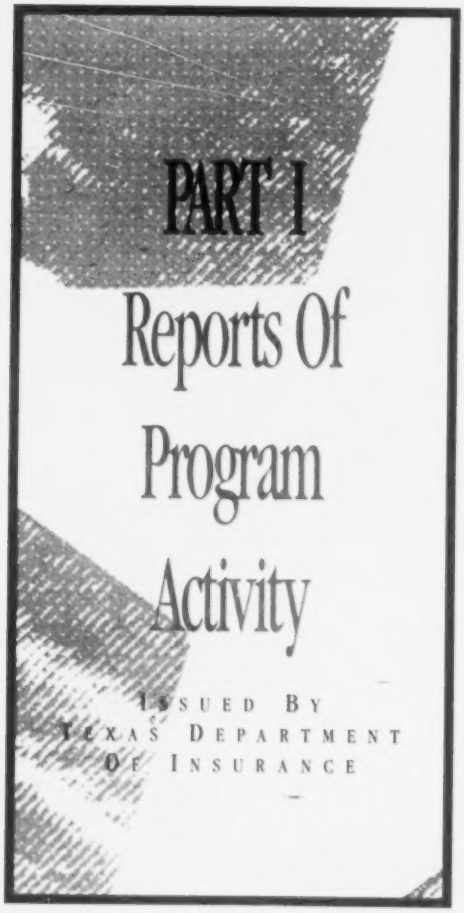

PART I
Reports Of
Program
Activity
ISSUED BY
TEXAS DEPARTMENT
OF INSURANCE

Introduction

This section of the Texas Department of Insurance's 116th Annual Report gives a brief summary of major activity of agency programs and divisions during Fiscal Year 1991. Although some reorganization in the agency occurred during the fiscal year and afterward, this report reflects the agency structure as it existed on August 31, 1991. Prior to September 1, 1991, the agency was known as the State Board of Insurance.

Preface

Rising public debate over consumer protection and solvency issues made reform the predominant theme of insurance regulation in Fiscal Year 1991 at both national and state levels. Nationally, these concerns prompted Congressional hearings and inquiries into whether some of the states' traditional regulatory functions should be assumed by the federal government. At the state level, the insistence of Governor Ann Richards and key lawmakers upon strengthening solvency regulation and expanding consumer protection led to enactment of the most sweeping insurance reform legislation in almost 40 years. At the same time, the National Association of Insurance Commissioners continued implementation of a nationwide certification program for state systems of solvency regulation which the NAIC had adopted in June 1990.

AUTOMOBILE INSURANCE

Among the most significant consumer protection issues were questions about the quality of the statistical data used in the setting of automobile insurance rates, which increased by an average of 8.7 percent during Fiscal Year 1991.

The regulatory process, including the acquisition of statistical data, holds particular significance in Texas, a state with an uncommonly high degree of rate standardization. The Legislature addressed the process by excluding industry organizations from rate proceedings and repealing the insurance industry's exemption from Texas' anti-trust laws. Meanwhile, the Board responded to Governor Richards' request for an in-depth look at the accuracy of the automobile premium and loss data received from three industry-controlled statistical organizations (Insurance Services Office, National Association of Independent Insurance Companies and National Independent Statistical Service). The Board contracted with the Deloitte & Touche accounting firm to audit these organizations. Ten company groups that represent 70 percent of the Texas automobile insurance market also will be audited. When concluded, these audits will represent the first in-depth review by any state of the accuracy and reliability of the ratemaking data furnished by the statistical organizations.

PERSONAL LINES AVAILABILITY

For some consumers the scarcity of certain kinds of personal lines insurance, particularly homeowners and private passenger automobile insurance, was as great a problem as the price of these coverages. Many Texans lost or were unable to obtain coverage for reasons that included the complete or partial withdrawal of several companies from the personal lines market. Evidence of the problem included an increase in the number of applications to the Texas Automobile Insurance Plan - or "assigned risk pool" - even before the flood of applications that coincided with the effective date of a new law stiffening enforcement of the state's automobile liability insurance requirements.

Applications To The Automobile Insurance Plan

Month	FY 1990	FY 1991	% Increase
	(CY 89)	(CY 90)	
September	10,419	13,303	27.6
October	11,430	15,226	33.2
November	10,273	14,852	44.6
December	9,389	14,463	54.0
	(CY 90)	(CY 91)	
January	12,525	18,568	48.2
February	12,349	18,576	50.4
March	14,974	23,349	55.9
April	14,941	23,417	56.7
May	14,448	20,070	38.9
June	12,845	19,326	50.5
July	13,743	21,781	58.5
August	14,054	50,048	256.1

Source: Texas Automobile Insurance Plan

Figure I – 1

The tightening personal lines market demonstrated the need for regulatory oversight of company departures from lines of insurance. In a number of cases, companies dropped major lines with no official notice to the Commissioner, who lacked authority - other than moral suasion - to alter the situation. The primary insurance reform bill, House Bill 2, *Acts of the 72nd Legislature*, imposed a new requirement that a company receive the Commissioner's approval of a "plan of orderly withdrawal" before abandoning a line of insurance. A company cannot resume the sale of such coverage for five years after withdrawal.

The reform law also addressed a growing problem for Texas homeowners by prohibiting cancellations and nonrenewals of policies solely because of weather-related claims. Except for the Texas Catastrophe Property Insurance Association ("Catpool") for windstorm insurance along the Gulf of Mexico, property owners have no alternative market comparable to the Texas Automobile Insurance Plan to provide essential coverages. For that reason, protection against arbitrary cancellations and nonrenewals was a particularly significant advance for insurance consumers.

There was evidence in Fiscal Year 1991, largely in the form of consumer complaints and inquiries, that some insurance company groups were moving homeowners from their lower-rate ("downward deviating") companies to affiliates with higher rates to achieve increases greater than the average 15.8 percent rate hike approved by the Board, effective April 1, 1991. The agency's staff instructed several companies that if they engaged in such conduct without providing at least 30 days' notice, they were required to renew the policyholders in their original - and less expensive - companies.
Some of this movement was into affiliated Lloyd's plans and reciprocal exchanges, whose property insurance rates - by statute - are exempt from regulation.

LLOYD'S AND RECIPROCALS

Typically, the rate freedom of Lloyd's plans and reciprocal exchanges has been used more for competitive advantage than as a mechanism for raising property rates. As the accompanying graphs illustrate, these companies increased their share of the Texas property insurance market from 12.8 percent in 1979 to 45.7 percent in 1990. The share held by the Lloyd's plans alone increased during that period from 7.8 to 33.9 percent.

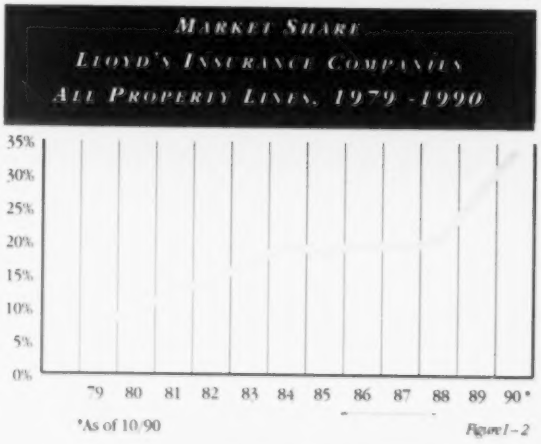


Figure I - 2

Concerns arose during 1991 that regulated rates for property insurance might be higher than necessary because the shift of better risks to the Lloyd's and the reciprocals had excluded the superior loss experience of these risks from the database used in ratemaking. In House Bill 2, the Legislature addressed this problem by enacting new Articles 18.23A and 19.12A, *Texas Insurance Code*. These articles prohibit insurance companies from assuming property risks from affiliated Lloyd's plans and reciprocal exchanges if the business was written at rates less than those the assuming companies are allowed to charge. The intended effect is to place all companies on a more level playing field to encourage fair competition.

MARKET SHARE ALL INSURANCE COMPANIES ALL PROPERTY LINES, 1990

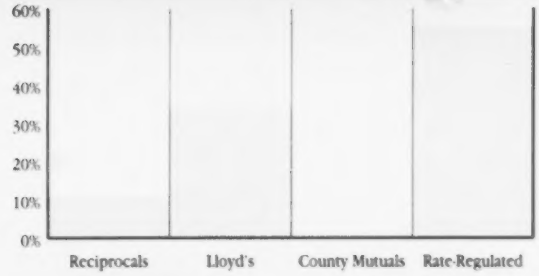
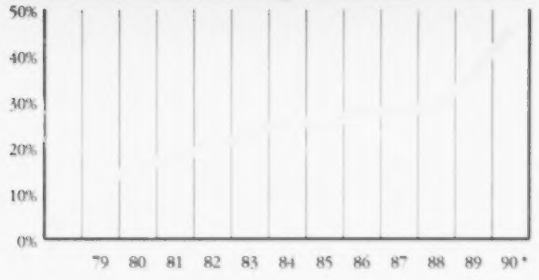


Figure I – 3

MARKET SHARE ALL COMPANIES NOT RATE-REGULATED ALL PROPERTY LINES, 1979 - 1990



*Total All Property Lines as of 10/90

Figure I – 4

WORKERS' COMPENSATION

The continued lack of a voluntary market for most workers' compensation risks also was a nagging problem for employers, regulators, and legislators during Fiscal Year 1991. Because each insurance company's share of assessments to cover the annual deficits of the Texas Workers' Compensation Insurance Facility is proportionate to its share of the voluntary market, few if any carriers accepted new business. The Facility, therefore, remained the primary writer of new workers' compensation business. Most employers buying insurance from the Facility were required to pay a 15 percent higher premium rate; many also paid substantial surcharges based on their loss records.

Workers' compensation reforms enacted in 1989 prompted the Board to freeze rates for Calendar Year 1991 at their level of a year earlier. Even though the reforms did not take effect until January 1, 1991, signs of improvement in the experience of workers' compensation carriers appear in statistics gathered by the agency for Calendar Year 1990. For the first time since 1984, the aggregate loss ratio (incurred losses divided by earned premium) of all workers' compensation carriers combined fell below 100 percent and hit a seven-year low of 94.9 percent.

As indicated above, the workers' compensation reforms approved by the Legislature in 1989 did not take effect until January 1, 1991. Statistics issued during the fiscal year by the Facility, which collects almost one-third of the state's total workers' compensation premium, generated optimism that the reforms were having the desired effect of reducing workers' compensation losses. The Facility reported that its ratio of incurred losses to written premium from January to June 1991 was 79.32 percent, compared to 99.83 percent during the comparable period a year earlier.

The Facility deficit for Calendar Year 1990 was $558,389,000. Although this is a slight increase over the deficit for Calendar Year 1989, it represents a near leveling compared with increases seen since 1985. In addition, preliminary figures suggest the deficit for 1991 may be substantially lower.

TEXAS WORKERS' COMPENSATION FACILITY DEFICIT HISTORY, 1980 - 1990

CY	Amount of Deficit
1980	$11,491,302
1981	8,162,998
1982	12,520,888
1983	16,536,827
1984	19,882,685
1985	14,458,910
1986	73,504,187
1987	182,280,299
1988	399,095,363
1989	551,183,000
1990	558,389,000

Figure I – 5

Texas Workers' Compensation Insurance Facility Statistics, 1980 - 1991

Year	Number of Risks	Estimated Written Premium	% of Total Texas Premium in TWCIF	TWCIF Average Annual Premium Per Risk
1980	28,405	$97,365,904	7.0	$ 3,428
1981	25,877	79,897,354	5.2	3,087
1982	22,154	64,297,754	4.1	2,902
1983	19,953	51,001,470	3.1	2,556
1984	26,136	65,864,316	4.0	2,520
1985	55,134	233,822,521	13.5	4,241
1986	70,133	406,272,607	18.3	5,793
1987	69,330	471,011,000	19.4	6,794
1988	73,927	617,022,996	21.2	8,346
1989	85,758	850,116,288	24.5	9,913
1990*	85,821	1,238,937,000	29.8	14,436
1991*	33,246	1,223,580,948	**	**

*Annualized
**Data Not Available

Figure 1 - 6

With the constitutionality of the 1989 reforms under attack in the courts and with insurance companies showing little inclination to resume writing voluntary business, further steps appeared necessary to create a viable workers' compensation market in Texas. With encouragement from the Commissioner and the Chair of the Board, the Legislature directed the establishment of a competitive state workers' compensation fund, to be capitalized with a $300 million state revenue bond issue. The same legislation (House Bill 62, *Acts of the 72nd Legislature, 2nd Called Session*) abandoned Texas' system of promulgated workers' compensation rates in favor of a file-and-use system that will enable both the new Texas Workers' Compensation Insurance Fund (the state fund) and private insurance companies to set their own rates. These rates, however, must meet basic standards of fairness and actuarial soundness. In addition, policyholders and the state's Office of Public Insurance Counsel have the right to challenge a carrier's rates in proceedings before the Board. These changes were scheduled for implementation during Fiscal Year 1992.

SOLVENCY

Insurance company insolvency was a primary concern of consumers, regulators, state legislators and Congress throughout the fiscal year. The court-ordered conservatorship of Executive Life Insurance Company in California and the takeover of Mutual Benefit Life by the New Jersey commissioner precipitated widespread questioning of the stability of the life insurance industry as a whole. Executive Life, in particular, threatened to have a serious adverse impact on Texas, where the company has approximately 24,000 policyholders. The potential maximum guaranty fund exposure of Executive Life exceeded $375 million in Texas alone. Because of the threat to both policyholders and the state treasury, which ultimately bears the burden of guaranty fund losses, the Commissioner of Insurance intervened and became a party in the California court action over the future of Executive Life.

Despite the nationwide anxiety over insurance company solvency, Texas experienced an encouraging reversal of the recent trend toward increasing numbers of insolvencies. The number of domestic (Texas-chartered) companies placed in receivership had risen annually from two in Fiscal Year 1986 to 19 in both Fiscal Year 1989 and Fiscal Year 1990 , more than any other state. But in Fiscal Year 1991, the total number of new domestic receiverships declined to 12. Of the 12 companies, however, two were released from receivership almost immediately.

No insolvency should be minimized; even a small company's demise brings hardship to policyholders and claimants. The 1991 failures included the collapse of Texas Employers' Insurance Association, once the largest

workers' compensation writer in the state; this insolvency alone carries a potential ultimate guaranty fund obligation of more than $200 million. Yet, at the same time it must be added that the other 1991 insolvencies were small companies whose average guaranty fund liability of $2.4 million was less than half that of the companies that failed in Fiscal Year 1990.

A one-year decline in receiverships is a hopeful sign but it is not a trend. Twenty-four insurance entities were in rehabilitation (supervision or conservatorship) in Texas at the close of the 1991 fiscal year, an increase of more than 50 percent over the comparable total of 17 a year earlier. If past experience holds, at least some of these will be placed in receivership in Fiscal Year 1992.

One looking for other reasons for cautious optimism about the state of the insurance industry in Texas might find it in the statistics on leverage. Leverage is the ratio of company surplus (or net worth) to assets; in other words, leverage represents a company's cushion against unexpected losses. In the aggregate, property and casualty insurance companies in Texas have maintained leverage which has varied little from the 25 percent benchmark for their segment of the insurance industry. In Calendar Year 1990, the latest for which data is available, this ratio was 27.71 percent.

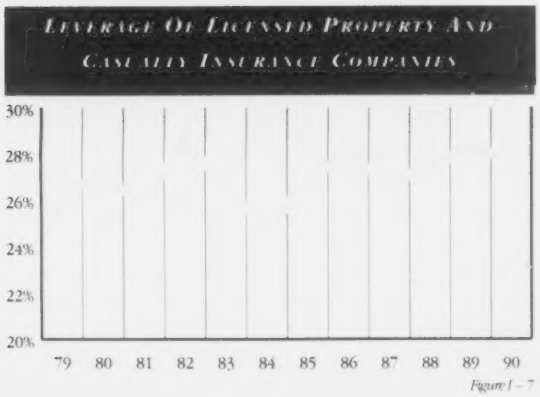


Figure I – 7

Licensed life and health insurance companies, which have smaller liquidity requirements than property and casualty companies, had an aggregate ratio of surplus to assets of 6.06 percent in 1990. This represented an improvement in overall leverage from the past three years and was well within the acceptable range.

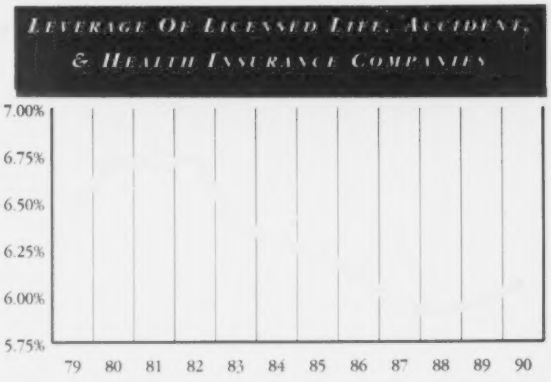


Figure I – 8

TRENDS

Because historically low capital and surplus requirements encouraged the formation of insurance companies, Texas has more domestic insurance companies than any other state. (On paper, Arizona has more, but most are life and disability reinsurance companies which do not write insurance for the general public.) Most of the Texas domestic companies are small by comparison to the multi-state companies that dominate the industry. In 1989, Texas domestics had only 2.90 percent of the total assets of life companies operating in Texas; the rest belonged to out-of-state insurance companies. Similarly, only 2.87 percent of the assets of property and casualty companies doing business in Texas were held by domestic insurance companies; the other 97.13 percent were held by foreign companies.

If there is a discernible trend in the Texas insurance industry, it is a trend toward concentration and consolidation.

Although hundreds of companies are licensed in Texas, concentration of business in the hands of a few large carriers has been a reality in Texas for some time. In 1990, the top 10 writers had 56.8 percent of the automobile premium, 54.5 percent of the homeowners premium and 55.5 percent of the group health insurance premium.

While the number of out-of-state companies doing business in Texas has remained virtually stable (a 2.5 percent increase in the number of these "foreign" licensees since 1987), the Texas domestic industry has contracted substantially. The number of domestics has declined by 15 percent - from 765 companies to 650 companies - in just four years.

While some of this decline resulted from the liquidation of insolvent insurance companies, a considerable portion reflects mergers and dissolutions. For example, in Fiscal Year 1991, the number of domestic insurance companies declined by 45; only nine were companies that were liquidated.

Although more in-depth analysis of this trend is required, the outcome could be a more reliable domestic industry with fewer marginal companies to stretch regulatory resources and jeopardize the financial well-being of Texas policyholders.

In this context of seeking a reduction in the number of insolvent insurance companies, the agency is working toward more effective solvency regulation. As the report that follows will show, the agency strengthened its examination procedures and progressed in the development of a computerized Early Warning System. In addition, the insurance reform legislation discussed above gave Texas an improved statutory framework for solvency regulation.

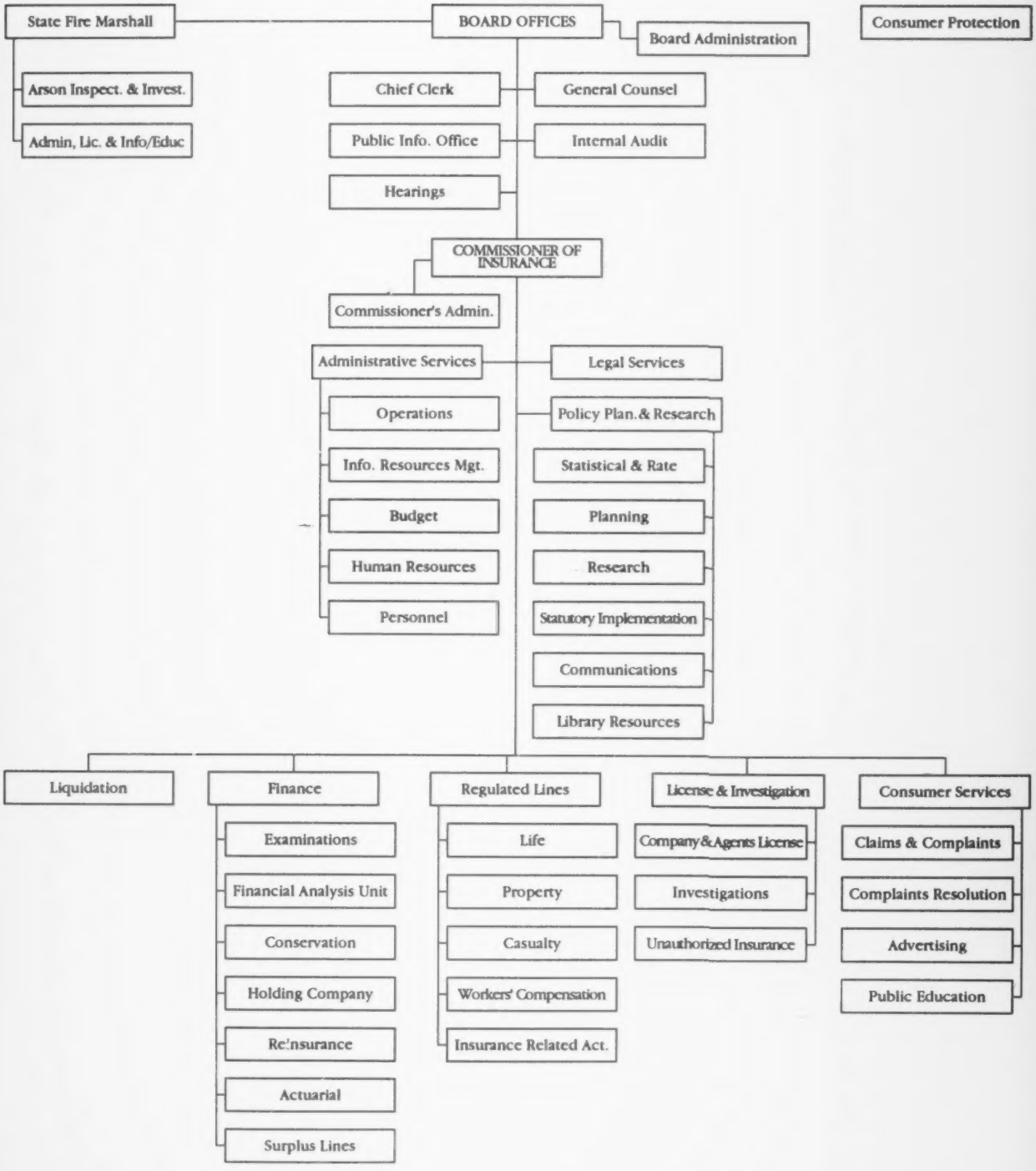
Spurred by the sizeable insolvencies of the 1980s, by public concern with insurance company stability and by Congressional criticism, the National Association of Insurance Commissioners (NAIC) developed standards in 1990 for certification of state solvency regulation programs.

A substantial portion of the insurance reform bill was devoted to strengthening Texas' laws relating to insurance company solvency and qualifying the state for NAIC certification. From the standpoint of financial regulation, the reform legislation gave Texans (1) more stringent insurance company capital and surplus requirements, (2) a statute encouraging the merger of weak companies, (3) stronger laws governing holding companies, including improved disclosure of transactions among affiliates and (4) licensing of reinsurance intermediaries.

CONCLUSION

The report that follows is an account of the agency's efforts during a year that was turbulent because of management changes, reorganization and unprecedented legislative activity. Yet, it also was a year that ended on a note of promise: that through implementation of the sweeping insurance reforms of Fiscal Year 1991, the Texas Department of Insurance may earn the confidence of the public and eventual recognition as one of the nation's most effective insurance regulatory agencies.

TEXAS DEPARTMENT OF INSURANCE
ORGANIZATIONAL CHART
AUGUST 31, 1991



Board

The three full-time members of the State Board of Insurance (SBI) are appointed by the Governor for overlapping six-year terms beginning on the first day of February of each odd-numbered year. The Board is responsible for determining agency policy, making rules for the regulation of the insurance industry, promulgating or approving rates for most property and casualty insurance lines, hearing appeals from rulings of the Commissioner and (until Fiscal Year 1992) the State Fire Marshal and carrying out other duties under the Texas Insurance Code and other statutes.

As in other areas of the agency, passage of House Bill 2, *Acts of the 72nd Legislature*, contributed to changes within the program, as well as a shift in the way insurance rates will be regulated in Fiscal Year 1992 and beyond. At the end of the fiscal year, the program included the Board Offices, Chief Clerk, General Counsel, Public Information Office, Internal Audit and Hearings. Reorganization during the year moved the Statistical and Rate Development Activity and Statutory Implementation Activity into Policy Planning and Research, a new program under the Commissioner's Office.

SUMMARY OF ACTIVITY - BOARD

	FY 90	FY 91
Board Meetings	67	83
Public Hearings	39	57
Board Orders	2,009	1,988

Figure I - 9

CHIEF CLERK

The Chief Clerk has the responsibility of keeping and maintaining all records and proceedings of the Board. Other duties include posting Board meetings and hearings; providing affected parties with official or informal notice of Board hearings and meetings; filing rules and rule changes with the Secretary of State; performing legal research and providing the Board with advice on legal and technical problems, especially on rulemaking; conducting an ongoing review of the agency's rules and rulemaking procedures; drafting opinion requests, legal briefs and related correspondence; assisting the Attorney General occasionally with cases; helping draft and edit proposed legislation; performing other legal work; and attending hearings and meetings.

GENERAL COUNSEL

The General Counsel is the chief legal adviser to the Board and assists the Board in developing policies and rules. The General Counsel also advises the Board on rules, ratemaking, appeals from the Commissioner and the State Fire Marshal, proposed legislation, implementation of laws, and proposals from the public. Until June, the General Counsel also was responsible for management of the Statutory Implementation Activity, which was moved under the Policy Planning and Research Program.

The General Counsel also provides support for the Attorney General in handling of Board-related litigation; helps prepare briefs and correspondence explaining insurance issues; and assists in Board matters involving other areas of state government, including the Legislature and other state agencies.

During Fiscal Year 1991, the General Counsel participated in drafting, reviewing, and recommending legislation; advised the Board on the need for legislation and the probable impact of particular bills; and testified before the Legislature as a resource witness.

The General Counsel also assisted the Commissioner's staff in developing and interpreting Board rules, policies and, decisions and served as the Board representative on agency committees for development of administrative legal policy and procedures.

PUBLIC INFORMATION OFFICE

This office provides insurance-related information to the public, the Board, and agency staff. For most of Fiscal Year 1991, it also was the center of much of the agency's research activity.

During all or part of the year, the Public Information Office (previously Information Services) carried out its functions by:

- Issuing news releases concerning actions of the Board and Commissioner and responding to inquiries from both the news media and the general public.
- Researching, writing, editing, designing, and distributing consumer education material.
- Writing speeches.
- Conducting research as assigned.
- Establishing and maintaining a research library for the agency.
- Helping maintain internal communications through the agency's employee newsletter, electronic news bulletins, and dissemination of a daily clipping service of insurance articles.
- Providing staff support, as requested, for Board members in their activities as members of the National Association of Insurance Commissioners (NAIC), and serving through most of the fiscal year as the department's liaison for the NAIC.

In addition, staff presented testimony on investment income and insurance company profitability at Board hearings on property and casualty rates.

Public information and education activities included:

- Issuing revised and updated editions of *A Shoppers' Guide to Medicare Supplement Insurance* and *A Shoppers' Guide to Long-Term Care Insurance*, two publications that outline the cost and coverage of policies designed to pay health care expenses not paid by Medicare or expenses incurred during a prolonged illness or disability.
- Publishing the following new consumer brochures and booklets, bringing to 20 the total number of such publications developed by the Public Information Office:
  - *Catpool Claims: A Guide for Policyholders of the Texas Catastrophe Property Insurance Association*
  - *What You Should Know Before Buying Long-Term Care Insurance*
  - *Homeowners Insurance: A Guide for Texas Consumers*
  - *Shopping for Health Insurance*.
- Preparing a special jacket for use in mailing the agency's list of private passenger automobile insurance rate deviations to consumers. The jacket explains territorial codes and vehicle rating classifications used in the deviation list. It also offers shopping tips, explains variables in the price of insurance and tells how to obtain help from the agency.
- Publishing and issuing *The Dangers of Going Bare* in conjunction with a June 18 news conference at which Claire Korioth, Chair of the State Board of Insurance, addressed the growing problem of purported alternatives to workers' compensation insurance.
- Planning a joint news conference in August with representatives of the Texas Department of Public Safety and the Texas Department of Transportation to focus attention on new laws enforcing the state's mandatory automobile liability insurance requirement.
- Publishing *A Guide to Evidence of Financial Responsibility Under the Texas Motor Vehicle Safety Responsibility Act* in conjunction with the new enforcement requirements and in cooperation with the same two agencies.
- Coordinating agency participation in and providing a speaker for a day-long seminar on Coping With Unemployment, cosponsored by the Texas Department of Human Services in Fort Worth.
- Increasing the number of insurance-related speeches for board members and agency officials by 90 percent over Fiscal Year 1990.
- Scripting a television/radio public service announcement on the dangers of unauthorized insurance and working with a contractor in its production.
- Expanding consumer information services to the Hispanic community by providing Spanish translations of consumer leaflet on Medicare supplement insurance, *Understanding the State*

Board of Insurance, a consumer column on automobile insurance, and the Chair's Op-Ed newspaper column on the dangers of dropping workers' compensation insurance.
- Coordinating agency participation in an insurance seminar and town meeting in Laredo.
- Working with the Consumer Services Program updating the agency's complaint ratio publication.
- Writing, typesetting, and issuing 12 camera-ready consumer columns to more than 700 Texas daily and weekly newspapers.

To improve internal communications, the Public Information Office:

- Issued 114 "electronic bulletins," providing instant information over the PROFS computer network.
- Redesigned *The Bulletin Board*, the employee newsletter, to improve its appeal and readability.
- Distributed some 250 daily editions of the agency clip service, which informs Board members and staff of insurance-related matters covered by the news media.

Research and related activities of the Public Information Office included:

- Researching the causes of 31 insurance company insolvencies in Fiscal Year 1990 and publishing the findings as *Texas Insurance Company Failures in Fiscal Year 1990*.
- Designing and drafting a survey of group accident and health insurance companies about AIDS-related underwriting changes, as required by Article 1.24C, *Texas Insurance Code*.
- Cataloguing, organizing and shelving the agency's 4,250-item general research library, making this collection useful to the agency as a whole for the first time.
- Providing expert testimony on insurance company investment income and on indicated profit factors in all major property and casualty rate hearings.
- Playing a significant role in revamping the *NAIC Report on Profitability by Line and by State*. The report on 1990 profitability will reflect all investment income and will provide for the first time returns on net worth by line of property and casualty insurance and by state.
- Devising a draft model for establishing risk-based capital requirements for property and casualty insurance companies.
- Participating in a special review of the data utilized in setting automobile insurance rates, and helping oversee an audit of the data furnished by statistical agents and selected insurance companies.
- Playing a significant role in revamping the Insurance Expense Exhibit, which is filed by all property and casualty insurance companies. The revitalized exhibit, if adopted by the NAIC, will reflect more accurately the investment income related to funds derived from insurance transactions and also will reflect, for the first time, investment income related to insurance company surplus.
- Coordinating an NAIC exploration of workers' compensation residual markets.
- Participating in meetings and conferences to address the growing crisis in health insurance.

SUMMARY OF ACTIVITY
PUBLIC INFORMATION OFFICE

	FY 90	FY91
Press Releases	86	85
Speeches/Testimony	20	38
Consumer Columns	14	12
General Information Requests	11,365	9,309
Electronic Bulletins	113	114

Figure I - 10

INTERNAL AUDIT

The Internal Audit Activity was established in Fiscal Year 1988 as a means for improving agency management and accountability. Internal Audit examines and evaluates the adequacy and effectiveness of internal controls established by agency management. Internal Audit communicates audit findings and recommendations directly to the Board, Commissioner and appropriate managers.

Internal Audit performs three types of projects:

- Audits scheduled in accordance with an annual audit plan, with priorities based on the degree of risk to the public from the various activities and functions of the agency.
- Special audits requested by the Board and Commissioner.
- Reviews of allegations of irregularities or misconduct within the agency.

During Fiscal Year 1991, Internal Audit completed eight scheduled audits and 11 specially assigned audits and issued 17 reports. Several investigations were referred to the Travis County District Attorney and other state entities as deemed appropriate. At fiscal year-end, nine projects were in progress.

In January 1991, the Governor requested an audit of data used in developing automobile insurance rates in Texas. On April 24, 1991, the Board directed the Internal Audit Director to chair the Texas Private Passenger Automobile Rate Data Audit Committee. The committee is responsible for overseeing the audit of data reliability.

The Board awarded a contract to Deloitte & Touche to audit the three statistical agencies that collect the data used for developing automobile rates – the Insurance Services Office (ISO), the National Association of Independent Insurance Companies (NAII) and the National Independent Statistical Service (NISS). The audit is expected to be completed in early 1992.

The second phase of the data reliability project consists of audits of 10 company groups that report data to the three statistical agencies. This phase will be completed in Fiscal Year 1992.

Significant projects completed during the fiscal year were:

- A case study on the agency actions regarding Commodore County Mutual Insurance Company.
- A follow-up study of the Fiscal Year 1990 operational audit of the Texas Workers' Compensation Facility.
- An internal audit on the effectiveness of the agency's Premium Finance Section.
- Electronic data processing audits on dial-up access to the mainframe computer.

HEARINGS

In Fiscal Year 1991, the Hearings Activity conducted hearings for the Commissioner and the State Fire Marshal in all contested cases filed under the *Administrative Procedures and Texas Register Act*. The activity also conducted hearings in certain cases for the Board.

Hearings reporters stenographically reported and transcribed 153 Commissioner, 102 Board and three Fire Marshal hearings. The number of pages transcribed for Fiscal Year 1991 exceeded 21,000.

For each case heard, Hearings maintained and cross-indexed docket sheets and case files, including all exhibits introduced at the hearings. Transcripts of many hearings are filed and are available for public inspection. All hearings are electronically recorded.

As in the past, the majority of the Commissioner hearings involved disciplinary cases, including cases where additional information regarding the applicant was required before the agency could complete the licensing process.

Summary of Activity
Hearings Conducted

	FY 90	FY 91
Hearings Conducted		
Commissioner	1,211	845
Board	95	63
Fire Marshal	0	9
Total	1,306	917

Figure I - 11

Summary of Activity - Hearings Transcribed

	FY 90	FY 91
Commissioner	151	153
Board	95	102
Fire Marshal	0	3
Total	246	268
Total Pages Transcribed	21,845	21,684

Figure I - 12

Commissioner Hearings By Type

	FY 90	FY 91
Disciplinary	726	526
License Applications	146	45
Applications for Certificates of Authority	24	15
Charter Amendments	70	70
Acquisitions	115	37
Merger and Reinsurance	42	17
Applications for Exempt Filing	9	0
Supervision	74	109
Applications by Corporate Agents to Withdraw Statutory Deposits	5	5
Unauthorized Insurance	0	4
Cease & Desist	0	15
HMO Applications	0	2
Total	1,211	845

Figure I - 13

Commissioner's Office

The Commissioner of Insurance serves as the agency's chief executive and administrative officer. As such, the Commissioner is responsible for management of the agency and for enforcing the *Texas Insurance Code* and rules and regulations promulgated by the Board.

Summary of Activity - Commissioner's Office

	FY 90	FY 91
Commissioner's Orders/Actions	6,400	5,927
Commissioner's Conferences	980	1,422

Figure I - 14

Priorities for the Commissioner's Office during Fiscal Year 1991 included reorganizing the agency, establishing new management systems, and leading the effort to strengthen the Early Warning System designed to alert the agency to insurance company financial problems in time to take corrective action.

Reorganization: Objectives of the new agency organization, approved by the Board on March 11 and phased in over several months, were to:

- enhance public confidence in insurance regulation,
- guarantee accountability,
- separate the responsibility for policy and administration,
- strengthen performance of primary regulatory responsibilities, and
- streamline the organization and operations of the agency.

A new Consumer Services Program was created around the existing Advertising and Claims and Complaints activities. The Financial Program was renamed Finance and expanded to include Conservation, formerly under the Commissioner's Program; Surplus Lines, which was transferred from Licensing; and Market Conduct Examinations, which was transferred from the renamed Consumer Services Program. The Licensing Activity was moved out of Regulated Lines and combined with the Unauthorized Insurance and Investigations activities from Compliance to form a new program called License and Investigations. Planning and Research staff and the Statistical and Rate Activity formerly under the Board were combined into a new program called Policy Planning and Research. Statutory Implementation was added to this new program in June.

Management Reporting: A Management Reporting System (MRS) was established to improve the Board's and Commissioner's ability to monitor work flow within the agency. The MRS is a state-of-the-art application designed to use the new automated tools the agency purchased and installed in Fiscal Years 1990 and 1991, including personal computers, standard software, and local and wide area networks. Each month, agency staff report certain performance indicators. These indicators include existing workload and other measures used internally, as well as new measures developed for the MRS. The first MRS reports were produced in October 1991. As more information is collected about agency work flow, MRS will become an increasingly important tool for managers to use in forecasting workload and planning for resources to meet agency needs.

A new system for communication between the Board and Commissioner also was implemented this year. All staff proposals for Board action are coordinated through the Commissioner's Office. Streamlined procedures for collecting, reviewing and presenting this information to the Board were developed by the Commissioner and Board administration. In addition, staff prepared a Board and Commissioner long-range planning calendar showing the schedule for Board actions required under House Bill 2, *Acts of the 72nd Legislature*. The calendar is updated weekly and is circulated to agency staff and, upon request, to people outside the agency.

Early Warning: In Fiscal Year 1991, the agency continued to focus on efforts to detect and address troubled companies. Two staff persons continue to coordinate the work of the Early Warning Management Group (EWMG) and to develop enhancements to the system used by the EWMG to

report information on troubled companies.
A major achievement this year was the design and implementation of a "company profile" for each company on the "watch list". The company profile includes summarized financial information, complaints information, and a history of supervision or conservation actions taken against the company. EWMG members, who include the Commissioner and senior managers of the agency's regulatory divisions, use the profile to assess risks posed by the company to policyholders, shareholders and guaranty funds. These activities are part of an agencywide effort to detect companies in hazardous financial condition at the earliest stage possible so that appropriate action can be taken to protect the public.

Working with Information Resources Management (IRM), the Commissioner's Early Warning staff began enhancing the existing tracking system. The system was expanded to incorporate information required for company profiles and was converted to a network environment to allow access by all members of the EWMG. File structures were organized more efficiently to increase reporting capabilities, including generation of historical and summary reports. New security features were added to the system to safeguard access and protect the integrity of information. Finally, custom inquiry and input screens were developed to allow for easier data entry and maintenance of the system.

Development of the Early Warning Information System (EWIS) continues to be a top priority. A milestone during 1991 was the completion of a major planning effort for this agency wide development project. IRM staff used the Spectrum planning methodology, purchased by the agency during Fiscal Year 1991, to produce the *Report on the Early Warning Information System* submitted to the Legislative Audit Committee in January 1991. Project teams staffed with users, management, IRM professionals, and contract programmers began work on the five major subsystems that serve as the foundation for the EWIS: compliance tracking, examinations, financial analysis, company tracking, and biographical information. Development of these subsystems will continue through Fiscal Year 1992.

Legal Services

The Legal Services Program enforces the *Texas Insurance Code* and agency rules and regulations; endeavors to assure compliance by insurance companies, groups and agents; and works with the Unauthorized Insurance Activity, agency investigators and the Attorney General to halt the illegal and abusive activities of unlicensed entities engaging in unauthorized insurance. Legal Services also provides a variety of other services to the agency and to the insurance-buying public.

Attorneys in this program:

- Prosecute alleged violations of the *Texas Insurance Code* and the rules and regulations governing insurance activities.
- Provide legal advice to the Commissioner of Insurance and to agency staff.
- Provide information and assistance to consumers.
- Represent the agency staff in administrative hearings.
- Participate in all Board and Commissioner's hearings and meetings where legal support is requested or required, including administrative and rate hearings.
- Accumulate, prepare, and present evidence as needed in hearings and court proceedings.
- Participate in conferences with staff, consumers, and representatives of insurance companies in matters requiring legal support.
- Prepare Board and Commissioner's orders in contested case hearings and administrative rulemaking matters.
- Draft rules and regulations, as well as proposed legislation, for Board consideration.
- Respond to requests from the Board, the Commissioner, and agency staff members for legal assistance and opinions.
- Assist the Attorney General in preparation of court cases referred by the agency and in defending lawsuits against the agency.

Following the agency's reorganization in Fiscal Year 1991, the Legal Services Program changed markedly. Prior to that time, Legal Services, along with the Market Conduct Activity, had formed what was known as the Compliance Program. However, portions of Market Conduct were split off to form a separate program, Consumer Services. The reorganization removed the Unauthorized Insurance and Investigations divisions from Legal Services and transferred them to the new Licensing and Investigations Program.

Legal Services continues its work through two activities : Program Division and Enforcement.

PROGRAM DIVISION

In January 1990, the Office of Legal Counsel, now called the Program Division, was created. The activity evolved in Fiscal Year 1991 when the agency reorganization consolidated a group of attorneys formerly assigned to the agency's various programs as a new component of Legal Services. This concentration of attorneys gave the agency more flexibility in distributing workload and the ability to collect better data on disposition of cases. In addition, it helped ensure accurate and consistent policy interpretations and timely legal advice to agency staff.

Attorneys work closely with the staff of other divisions throughout the agency, functioning in a manner similar to that of in-house counsel in private industry. Their duties include:

- Drafting legal opinions, rules, contracts, and proposed legislation.
- Briefing staff and preparing requests for Attorney General opinions and Open Records decisions.
- Representing staff at Board appeals and contested case, disciplinary, and rate hearings.
- Assisting with various agency advisory committee tasks.

During Fiscal Year 1991, the staff opened 1,426 cases and closed 2,292. Of the closed cases, 1,165 were disciplinary. More than 200 non-disciplinary cases closed in Fiscal Year 1991 involved activities affecting insurance company charters. By the end of the fiscal year, Program Division attorneys also had

closed 254 legal opinion files, represented the agency staff in 76 hearings, and obtained a total of 341 orders, including 195 orders imposing monetary forfeitures on insurance companies and agents.

With the Legislature in session for more than half of Fiscal Year 1991, attorneys also opened 254 research and drafting files on legislation involving the agency and insurance regulation. Attorneys were responsible, in part, for drafting legislation increasing minimum capital and surplus requirements for insurance companies; amending Article 3.74, *Texas Insurance Code*, which establishes minimum benefit standards for Medicare supplement insurance; and adding Article 3.70-12, *Texas Insurance Code*, which sets minimum standards for long-term care insurance benefits.

Attorneys also completed 33 rulemaking projects. Those included consumer protection amendments to the Medicare supplement insurance rules, focusing on expanded disclosure requirements, market conduct, and limitations on agent commissions for selling Medicare supplement policies; regulation of risk retention and purchasing groups; and electronic transfer of funds to augment interest earned on state deposits.

In addition to legislation and rulemaking, the legal staff negotiated contracts for the independent audit of statistical data used in setting private passenger automobile rates; represented the Credit Life, Accident and Health Division in a Board hearing that resulted in a 20 percent reduction in most credit insurance rates; and worked with Administrative Services to revise tax collection procedures to produce more successful collection efforts.

Prior to the agency's move to the new agency headquarters building in mid-1991, the physical separation of staff resulted in three separate filing system data bases. By September 1, 1991, these three data bases had been combined with one maintained by Enforcement into one integrated system that produces consolidated reports and allows efficient file searches.

Finally, the Program Division assumed responsibility for weekly cross-training sessions for all Legal Services attorneys and legal assistants.

ENFORCEMENT DIVISION

The Enforcement Division represents the staff in disciplinary hearings involving agent and company licenses before the Commissioner and the Board.

The Enforcement staff, composed of 12 full-time attorneys and supporting paralegal personnel, continued during Fiscal Year 1991 to aggressively litigate cases against insurance companies and agents for violations of the *Texas Insurance Code* and rules and regulations promulgated by the Board. Significant resources were devoted to taking action against financially impaired insurance companies under the newly amended Article 1.32, *Texas Insurance Code*. In addition, actions against agents and companies involved in deceptive trade practices, misrepresentation to elderly Texans and unfair claims settlement practices have remained a priority. The Enforcement Division also assisted federal, state and local law enforcement agencies seeking criminal prosecution of agents and others involved in fraudulent or unauthorized insurance practices.

A 36 percent reduction in attorney staffing levels below that of 1990 caused a decline in several performance measures. Eight enforcement attorneys who had litigated numerous disciplinary cases in 1989 and 1990 resigned. Nonetheless, the number of agent licenses revoked in 1991 was more than twice the number revoked in 1988.

In addition, two attorneys, who accounted for 20 percent of the orders in Fiscal Year 1991, were called to extended active duty during U.S. military operations in the Persian Gulf region (Operation Desert Storm).

SUMMARY OF ACTIVITY - ENFORCEMENT

	FY88*	FY89*	FY90*	FY91**
Cases Received	1,282	1,631	1,998	2,260
License Revocations	49	135	161	115
License Denials	29	39	50	32
License Suspensions/ Suspensions of Writing	0	7	14	28
Cease & Desig Orders	0	0	29	26
Monetary Forfeitures/ Restitutions	30	96	118	113
Forfeitures/Assessments/ Restitutions	$432,000	$9,898,582	$10,508,750	$1,267,936

* *Enforcement and Special Action Group (formerly part of Legal Support Services)*

** *Enforcement Activity only*

Figure I – 15

In addition, a division known as Administrative Intake was part of Enforcement for part of Fiscal Year 1991. This group of specialists provided the Legal Services Program and the Investigations Division under the License and Investigations Program with help in processing and tracking incoming complaints and correspondence for maintenance of the Legal Case Management System. The group also provided statistical reports, budget management, purchasing and other administrative services.

The staff logged all incoming correspondence and documents, generated a file number so the matter would be tracked by computer, and maintained the filing system. As cases were assigned, the staff routed the material to the appropriate person or division. The unit generated any necessary statistical reports for management or budget purposes, and served as liaison for Information Resources Management computer automation efforts.

A section of the unit is responsible for inventory and supply, purchasing, and coordination and preparation of travel vouchers for investigators, attorneys and witnesses. This section also maintains the law library. Budget management services were provided for both Legal Services and Investigations. That included maintaining a running report of expenses and preparation of operating budgets.

Policy Planning & Research

The March 1991 reorganization brought about the creation of a new Policy Planning and Research Program. Planning staff, Statutory Implementation and the Statistical and Rate Development Activity, formerly under the Board, were combined to form the new program. In June, a researcher was transferred to the new program from the Public Information Office, formerly called Information Services. Two other activities within the new Policy Planning and Research Program, Communications and Library Resources, were not functioning parts of the program in Fiscal Year 1991.

STATISTICAL AND RATE DEVELOPMENT

The Statistical and Rate Development Activity consists of four divisions: (1) Property and Casualty Actuarial Division; (2) Base Rate Division; (3) Closed Claim and Financial Data Division; and (4) Detailed Claim Information Division.

Property and Casualty Actuarial Division

During Fiscal Year 1991, this division was responsible for preparing recommendations and advising the Board on rate levels for all regulated property and casualty coverages. Four hearings on promulgated lines were held in Fiscal Year 1991. In addition, this division processed 72 company rate filings, primarily for medical professional liability coverage.

Hearings on Promulgated Rates – Fiscal Year 1991

Date	Public Hearing Date	Effective Date of Rate Revision
Workers' Compensation	10/22/90	No Change
Title	12/10/90	02/01/91
Private Passenger Automobile	01/15/91	07/15/91
Commercial Automobile	01/15/91	07/15/91

Figure I – 16

A 10-year history of average statewide manual rate changes for major insurance lines is shown in the following tables:

Private Passenger Automobile Manual Rate Changes As A Statewide Average

Date	Total Liability (Total Limits)	All Physical Damage Coverages Combined	All Liability & Physical Damage Coverages Combined
November 1, 1982	+19.2%	+11.0%	+14.8%
February 1, 1984	+11.1	-3.3	+3.7
February 1, 1985	+3.4	-11.3	-3.8
February 1, 1986	+3.4	-13.4	-5.1
May 1, 1987	+16.2	+3.4	+9.8
May 1, 1988	+12.4	-5.1	+3.9
June 1, 1989	+14.8	-18.5	-0.3
May 1, 1990	+9.0	-7.3	+2.9
July 15, 1991	+9.0	+8.0	+8.7
Average, 1982-1991	+9.7%	-4.1%	+3.3%

Figure I – 17

Commercial Automobile Manual Rate Changes As A Statewide Average

Date	Total Liability (Total Limits)	All Physical Damage Coverages Combined	All Liability & Physical Damage Coverages Combined
June 1, 1982	+6.2%	+10.2%	+7.5%
July 1, 1983	+8.2	+4.6	+7.0
May 1, 1984	+25.4	+4.1	+17.2
May 1, 1985	+17.9	-7.2	+9.3
May1, 1986	+12.0	-2.4	+6.9
May 1, 1988	+24.4	-24.6	+9.5
February 15, 1990	-23.6	-2.3	-20.0
July 15, 1991	+15.6	+15.0	+15.5
Average, 1982-1991	+7.7%	-0.8%	+4.8%

Figure I – 18

Residential Property Manual Rate Changes As A Statewide Average

Date	Fire	Extended Coverage	Homeowners	Tenant Homeowners	Farm & Ranch Owners	All Coverages Combined
September 1, 1982	+5.8%	-23.9%	-20.0%	+22.3%	-17.5%	-16.4%
October 1, 1983	+13.8	-7.0	-5.9	+10.2	-7.1	-3.0
March 1, 1985	-12.1	-3.7	-8.6	+19.2	-9.2	-6.5
November 15, 1985	+10.0	-17.9	+6.7	-25.0	+4.0	+10.0
March 1, 1987	-20.4	+13.0	+8.6	-10.8	+11.8	+5.3
March 1, 1988	-9.1	-11.6	-2.4	-7.7	-2.6	-3.6
June 1, 1989	-0.6	+2.6	+8.2	+1.0	+10.3	+7.2
March 1, 1990	-1.0	+2.1	+0.8	-3.3	+2.9	+0.8
April 1, 1991	+10.6	+23.2	+15.8	-2.4	+15.0	+15.2
Average, 1982-1991	-0.9%	-3.2%	-0.2%	-0.6%	-0.3%	+0.5%

Figure I – 19

Commercial Property Manual Rate Changes As A Statewide Average

Date	Fire	Extended Coverage	All Coverages Combined
September 1, 1982	-25.0%	-1.0%	-15.0%
October 1, 1983	-16.2	-3.0	-9.8
March 1, 1985	+18.3	+0.1	+8.6
November 15, 1985	+0.5	-10.1	+3.9
July 1, 1987	-25.0	-11.1	-18.6
November 1, 1988	-25.0	-14.8	-19.3
March 1, 1990	-12.6	+1.2	-4.8
April 1, 1991	-5.7	+6.3	+1.9
Average, 1982-1991	-10.1%	-3.4%	-5.8%

Figure I – 20

Workers' Compensation Manual Rate Changes As A Statewide Average

Date	Rate Change
September 1, 1982	+7.2%
September 1, 1983	-0.4
October 1, 1984	+2.0
January 1, 1985	+8.6
October 1, 1985	+30.7
January 1, 1987	+17.7
January 1, 1988	+25.0
January 1, 1989	+18.7
January 1, 1990	+22.0
Average, 1982 - 1991	+12.7%

Figure I – 21

Title Insurance Manual Rate Changes As A Statewide Average

Date	Rate Change
January 1, 1982	+8.4%
August 1, 1982	-0.6
January 1, 1983	+6.9
January 1, 1984	+3.8
March 21, 1988	+9.9
August 1, 1988	+4.1
January 1, 1989	+13.6
March1, 1989	+3.6
February 1, 1990	+5.9
February 1, 1991	+7.6
Average, 1982 - 1991	+6.3%

Figure I – 22

This division also is responsible for collection and analysis of property and casualty ratemaking data and for publication of statistical reports including hearing exhibits, rate bulletins, instructions for computer generation of automobile and property rates, summaries of premium and loss statistics from annual statements and *Insurance Expense Exhibit* summaries.

Rate Development Statistical Reports Processed

	FY 90	FY 91
Title Insurance Agents	243*	837*
Title Insurance Underwriters	0*	28*
Annual Statement Page 14	947	985
Insurance Expense Exhibits	682	712
Product Liability Expense Exhibits	237	249

**Title Statistical Reports were received later than normal in 1990 due to a major revision in the reporting forms. Reports not processed in Fiscal Year 1990 were processed in Fiscal Year 1991.*

Figure I – 23

In addition, this division is responsible for the collection of workers' compensation aggregate financial data as required by Article 5.58A, *Texas Insurance Code*.

The following summary includes the experience of all insurance companies writing workers' compensation in Texas, as reflected in the aggregate financial data filed with this division. Care should be exercised in the interpretation of this data. In compliance with Article 5.58A(b), *Texas Insurance Code*, incurred losses and loss adjustment expenses are not developed to a final settlement basis. As a result, ultimate incurred losses and loss adjustment expenses are expected to be substantially greater than those shown on the summary.

Texas Workers' Compensation Aggregate Financial Data*

	Policy Year 1989	Calendar/Accident Year 1990
1. Direct Written Premiums	$3,271,402,587	$3,959,667,871
2. Direct Standard Earned Premiums	3,403,333,837	3,807,351,045
3. Direct Payroll of Insured Employers	71,918,000,000	76,544,000,000
4. Direct Losses Incurred**	3,043,047,287	2,887,142,241
5. Direct Losses Paid	1,498,009,651	793,131,180
6. Direct Losses Outstanding	1,066,920,463	1,227,625,400
7. Direct Claims Incurred	327,913	356,253
8. Direct Claims Paid	260,638	252,322
9. Direct Claims Outstanding	67,275	103,931
10. Direct Loss Reserves on Known Claims		
A. At Beginning of Year	0	0
B. At End of Year	1,066,920,463	1,227,625,400
C. Adjustment	1,066,920,463	1,227,625,400
11. Direct IBNR Loss Reserves		
A. At Beginning of Year	0	0
B. At End of Year	478,117,173	866,399,727
C. Adjustment	478,117,173	866,399,727
12. Direct Incurred Allocated Loss Adjustment Expenses		
A. Attorney Fees	25,998,348	26,107,975
B. All Other	137,618,144	165,911,762
13. Direct Incurred Unallocated Loss Adjustment Expenses		
A. Attorney Fees	4,107,315	6,174,990
B. All Other	153,055,450	162,013,468
14. Direct Incurred Commission and Brokerage Fees	115,695,658	131,342,504
15. Direct Incurred Other Acquisition Expenses	89,436,210	101,855,154
16. Direct General Expenses		
A. Boards and Bureau Expenses	29,048,592	37,003,428
B. Expenditures to Influence Public Policy	992,611	1,202,559
C. All Other	147,854,831	185,663,842
17. Direct Incurred Taxes, Licenses and Fees	155,568,980	195,059,097
18. Policyholder Dividends	59,696,512	76,671,639
19. Underwriting Gain***	(557,793,490)	(167,595,055)
20. Net Investment Income	537,239,000	579,815,000
21. Realized Capital Gains	51,699,000	43,475,000
22. Unrealized Capital Gains	1,056,000	(84,983,000)
23. Total Investment Gain	$ 589,994,000	$ 538,307,000

* *As reported under requirements of Article 5.58A, Texas Insurance Code.*

** *Direct losses incurred excludes losses resulting from malice, bad faith, fine or penalty.*

*** *Ultimate losses in this category are expected to be substantially greater.*

Figure I – 24

Base Rate Division

This division is responsible for collecting and auditing some 270,000 statistical reports filed by workers' compensation insurance companies each year as required by Article 5.58(a), *Texas Insurance Code*. A separate report containing detailed payroll, premium, loss, and claim information is received annually for each workers' compensation policy. This information is used by the Statistical and Rate Development Activity in the calculation of workers' compensation manual rates and by the Workers' Compensation Activity in the calculation of experience rating modifiers.

Closed Claim and Financial Data Division

This division is responsible for the collection of insurance company information as required by Articles 1.24A and 1.24B, *Texas Insurance Code*. The closed claim reports give detailed information on the final disposition of Texas claims for general and professional liability, commercial auto liability, and the liability portion of commercial multi-peril policies. Individual reports are filed for larger claims, while summary or aggregate reports are filed for smaller dollar claims. Fiscal Year 1991 saw a 26.2 percent increase in individual closed claim reports processed and a 214 percent increase in summary reports.

Closed Claim Financial Data Reports Processed

	FY 90	FY 91
Individual Closed Claim Reports	7,768	9,803
Summary Closed Claim Reports	202	634
Closed Claim Reconciliation Reports	–	433
Liability Insurance Supplemental Reports	475	412
Investment Income Allocation Reports	282	286

Figure I – 25

Detailed Claim Information Division

This division was established to collect workers' compensation claim information as required by Article 5.58(c), *Texas Insurance Code*. Fiscal Year 1991 activity focused on development of reporting forms and procedures in preparation for receipt of the first filings, which were due in September 1991.

PLANNING

Planning supports agencywide strategic and operational planning and the implementation of major projects. The Planning staff worked with consultants from the firm of Deloitte & Touche from February through October to develop and implement an agencywide monthly Management Reporting System (MRS). The MRS tracks performance on more than 350 different performance indicators from agency activities. Planning staff worked with the managers to compile definitions for all the indicators and collect data estimates for Fiscal Year 1992. Deloitte & Touche consultants developed the MRS application to utilize the agency's new standard software, personal computers and networking capabilities. Planning staff and the consultants trained 35 MRS users on how to input actual figures for their performance indicators. Each month Planning will print a report for use by the agency managers, the Commissioner, and Board members in tracking performance and managing work flow.

To improve agencywide communication and planning efforts, planning liaisons from each agency program met periodically from February through April to analyze problems and recommend solutions. The Planning staff compiled the recommendations into an action plan for consideration by the Commissioner and Executive Planning Team, which is made up of Associate and Deputy Commissioners. The planning liaisons' recommendations included holding two all-employee meetings each year; holding regular staff meetings within all activities; developing in-house training courses for supervisors on skills such as time management, communication, and planning; designating a communication liaison for each program; producing program newsletters; creating planning task forces in each activity; and publicizing individual activities' achievements in reaching their objectives, and other successes.

Planning staff also assisted in the implementation of another agencywide project, the new employee performance appraisal system. The staff trained more than 600 employees in Austin, Houston and Dallas on how to write job objectives used in the new appraisal system, developed by the agency's Human Resources Program.

RESEARCH

The Research Activity staff, charged with studying and reporting on industry trends and problems, did not move into the Policy Planning and Research Program until June and had not been fully staffed by year end.

Research activities begun between June and the end of Fiscal Year 1991 included:

- Laying groundwork for development of statistical models used in ranking the potential risks of insolvency for life and health insurance companies. That also involved installation of special statistical analysis software.
- Compiling data for an analysis and report on the causes of insurance company insolvencies that occurred during Fiscal Year 1991.
- Participating in the agency's staff support of the National Association of Insurance Commissioner's (NAIC) work on model laws for risk-based capital and surplus.
- Serving as the agency's NAIC liaison, maintaining the computerized Infonet connection with the association and state insurance departments, compiling NAIC activity files, maintaining NAIC model law files, and producing summaries of major NAIC meetings.

STATUTORY IMPLEMENTATION

Statutory Implementation served as the agency's liaison to the 72nd Legislature, which met in regular session and two special sessions during Fiscal Year 1991. Key responsibilities included the analysis and tracking of insurance-related legislation, preparation of information for the Legislative Budget Board on the fiscal impact of proposed legislation, coordination of agency staff testimony before various legislative committees, dissemination of requested information to legislators, committees and staff members, and coordination of agency implementation plans for insurance-related bills enacted during the 72nd Legislature's Regular and two Special Sessions.

Statutory Implementation also was responsible for producing the report required under provisions of Section a, Article 1.25 and Article 1.25A, *Texas Insurance Code*. That 82-page report, entitled *Recommendations by the State Board of Insurance to the 72nd Texas Legislature 1990*, was based on 165 staff proposals presented in public meetings in July 1990. The completed report was submitted to the appropriate Legislative committees in December 1990.

During Fiscal Year 1991, Statutory Implementation:

- Drafted seven major agency legislative proposals and numerous amendments to insurance-related bills introduced during the 72nd Legislature's Regular and Special Sessions.
- Prepared 210 fiscal notes on bills and resolutions, 80 of which had a fiscal impact on agency operations.
- Tracked 785 pieces of legislation that affected agency regulatory and administrative matters.
- Tracked 1,723 legislative inquiries during the first 11 months of Fiscal Year 1991.
- Began preparation of implementation plans for the *Omnibus Insurance Reform Act* (House Bill 2, *Acts of the 72nd Legislature*) and House Bill 62, *Acts of the 72nd Legislature*, 2nd Called Session.
- Indexed and published House Bill 2 as the first volume of insurance-related legislation passed by the 72nd Legislature.
- Assembled and began indexing by subject the additional 76 bills and resolutions passed during the Regular and two Special Sessions for publication as part of a six-volume set of insurance- related legislation.

Statutory Implementation also assisted in a number of special projects, including coordination, production and distribution of the agency's Outcome Budget, the agency's second budget produced for the Legislature in Fiscal Year 1991. While the agency's traditional budgets have been drafted and funded on a division-by-division, line-item basis, the Outcome Budget is based on four specific agency goals with funding tied to a variety of supporting strategies. Additionally, each strategy is supported by tactics that are tied to measurable outputs such as expected number of forms to be processed, disciplinary actions taken, or investigations completed.

COMMUNICATIONS

Although the Communications Activity was created as part of an agency reorganization, plans for the new activity are not fully developed. Some functions planned for that activity were performed by the Public Information Office during Fiscal Year 1991.

LIBRARY RESOURCES

Creation of a new Library Resources Activity was planned for Fiscal Year 1991 as part of an agency reorganization to consolidate and better organize reference material for agencywide use and access. That activity, however, was not fully implemented during the fiscal year. A small library, assembled by the Public Information Office, continued to operate in the interim.

Creation of that library involved cataloguing, organizing and shelving more than 4,000 titles collected from throughout the agency. The items ranged from magazines to insurance rating books, as well as some historical items kept by the agency for a century or more. The rest of the material came from items collected by the Public Information Office. Future plans call for cataloguing other reference materials found throughout the agency.

Administrative Services

This program, which brought all of the agency's administrative functions together in Fiscal Year 1990, supports all other agency programs in five areas: Operations, Information Resources Management, Budget, Human Resources and Personnel.

OPERATIONS

The Operations Activity provides support services to the entire agency and collects various taxes and fees levied on insurance activities in Texas.

Operations' major achievements in Fiscal Year 1991 included:

- Working with Planning to compile, edit, format, publish, and distribute an agency *Operations Manual* containing all administrative policies and procedures of agencywide concern. This expanded *Operations Manual* supersedes the more limited version compiled in 1989 to cover purchasing, travel, communications, and inventory.
- Planning and executing the agency's move from the old State Insurance Building and Annex in the Capitol Complex to new headquarters in the William P. Hobby, Jr. State Office Building at 333 Guadalupe in Austin.
- Collecting $618.6 million in taxes, $20.4 million in licenses and fees and $1.5 million in other revenues for a gross total of $640.5 million, a 10.2 percent increase over Fiscal Year 1990.

Total Insurance-Related Taxes and Fees Collected, FY 81 - FY 91

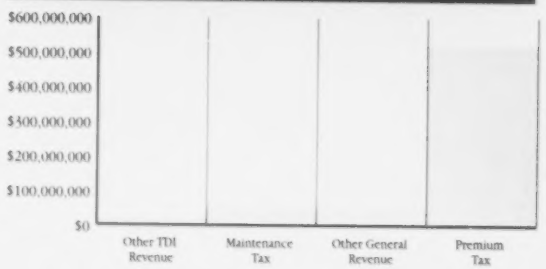
FY	Total
1981	$198,018,402
1982	214,211,734
1983	231,141,486
1984	377,090,836
1985	381,599,183
1986	427,998,584
1987	440,981,734
1988	591,825,502
1989	524,554,258
1990	581,372,484
1991	640,570,104

Figure 1 - 26

Total Insurance - Related Taxes & Fees Collected, FY 81 - FY 91

Figure 1 - 27

Revenues Collected By Agency In 1991



Total $640,570,104

Figure 1 - 28

For the majority of Fiscal Year 1991, Operations comprised three major divisions: Accounting, Staff Services, and Tax Administration. In June, however, the Publications Division was split off from Staff Services; and in July the building and records management functions of Staff Services became a separate Building and Records Management Division.

Accounting

The Accounting Division creates and maintains the agency's financial books and records. In doing so, it records all financial information in the General Ledger; maintains supporting documentation required to provide an audit trail; prepares the agency's annual financial report (see Part V of this report); and develops and recommends the maintenance tax rates, examination overhead assessment rates, and premium finance assessment rates necessary to fund agency operations.

Some of Accounting's achievements during Fiscal Year 1991 included:

- Reducing the average time from a check's receipt to its deposit from about one-and-a-half days in Fiscal Year 1990 to a half-day in Fiscal Year 1991. In Fiscal Year 1991, the Cashier's Office deposited a total of $120,703,939 on the day of receipt. This 147 percent increase in same-day deposits from the previous fiscal year generated more than $25,000 in interest.
- Developing a Board-approved plan for electronic fund transfers, which resulted in quicker deposit of more than $203.3 million in agency funds and an additional $42,000 in interest earned.
- Implementing fully a lockbox system for handling high-volume deposits. In Fiscal Year 1991, the agency received an average of 10,500 lockbox deposits per month (primarily fees for agents' licenses), for total lockbox collections of slightly more than $2.8 million. Each lockbox deposit results in at least one additional day's interest accruing to the State Treasury.
- Developing an on-line computerized refund and "hot check" system. With the assistance of Information Resources Management, Accounting designed and implemented a system to refund overpayments on-line and to track checks with insufficient funds. This system successfully automated a cumbersome semi-manual system of processing refund warrants and improved the agency's tracking of all checks returned for insufficient funds

Tax Administration

This division administers and collects the premium, retaliatory, and maintenance taxes, as well as fees for annual statement filings and the valuation of life reserves.

Tax Administration's primary achievements in Fiscal Year 1991 included:

- Collecting slightly more than $618.6 million in insurance taxes and processing $35 million in refunds resulting from litigation or overpayment.
- Sending 97 percent of all monies received to a revenue account within 14 days.
- Clearing for General Revenue use nearly $17 million in administrative services taxes collected in prior years but held in suspense because of litigation.

Tax Administration also operates a field audit program that is unique to insurance regulation in the United States. Seven tax examiners analyze books and records in taxpayers' home offices nationwide. In Fiscal Year 1991, the examination section produced $7.4 million in revenue, a return of more than $28 for every state dollar spent on the program.

Litigation continued to complicate Tax Administration's work in 1991, but the division was able to reduce the amount of revenue tied up in protested accounts from $300 million to $55 million. Nearly $30 million of the remainder results from continuing litigation contesting the administrative services tax (Article 4.11A, *Texas Insurance Code*). In May 1991, the U.S. 5th Circuit Court of Appeals declared the tax unconstitutional (*E-Systems v. Pogue*).

Agency Tax Collection Statutes

Statute [1]	Type of Tax	Fund
4.10	Premium tax–Property and Casualty	General Revenue
4.11	Premium tax–Life, Accident and Health	General Revenue
9.59	Premium tax–Title insurance	General Revenue
21.54	Premium tax–Risk Retention groups	General Revenue
1.14-2	Premium tax–Surplus lines agents	General Revenue
20A.33	Premium tax–Health Maintenance Organizations	General Revenue
1.14-1	Premium tax–unauthorized insurance [2]	General Revenue
4.17, 5.12, 5.24, 5.49, 5.68, 9.46, 20A.33, 21.07-6, 23.08	Maintenance tax on all insurance companies except surplus lines	Agency Operating Fund
8308 VTCS	Workers' compensation maintenance tax	General Revenue [3]
4.11A	Administrative services tax [4]	General Revenue
21.46	Retaliatory taxes [5]	General Revenue
1.35B	Assessment for consumer protection	General Revenue [6]

1) Unless otherwise noted, citations are to the Texas Insurance Code.
2) Tax is paid by the individual or entity purchasing coverage.
3) Dedicated to Workers' Compensation Commission and Workers' Compensation Research Center.
4) In general, the term "administrative services" covers managers, administrators, or consultants to a self-funded retirement or accident and health program.
5) Taxes on the difference between a company's Texas taxes and fees and the amount the company's state of incorporation would charge on the same premium volume.
6) Dedicated to support the Office of Consumer Protection.

Figure I – 29

Comparison of Maintenance Tax Rates from FY83-FY91
(Rates in the table are given as a percentage of 1%)

Type	Max Legal Rate	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
Motor Vehicle	.2	.027	.029	.024	.028	.019	.058	.067	.113	.091
Fire	1.25	.357	.478	.458	.463	.523	.406	.729	.711	.711
Workers' Compensation[1]	.6	.168	.259	.229	.303	.361	.180	.163	.467	.268
Casualty	.4	.108	.152	.075	.068	.027	.207	.343	.318	.297
Title	1	.039	.061	.020	.033	.083	.122	.156	.464	.322
Life, Accident and Health	.04	—	—	—	—	—	.032	.032	.040	.04
Third-Party Administrators	1.0	—	—	—	—	—	1.0	1.0	1.0	1.0
HMO[2]	$2.00	—	—	—	—	—	$1.10	$0.98	$1.21	$1.21
Prepaid Legal	1.0	1.0	1.0	1.0	1.0	—	1.0	1.0	1.0	1.0

1) This maintenance tax rate accrues to the agency operating fund. Article 8308, Section 2.23, VTCS, authorizes maintenance taxes to support the Workers' Compensation Commission and the Texas Workers' Compensation Research Center. For FY 91, the Workers' Compensation Commission rate equaled 1.04% of gross premiums. The Research Center rate equaled .02% of gross premiums. These rates are levied in addition to the Workers' Compensation rate shown in the table.

2) Fee per enrollee for basic-service HMOs ($0.60 fee for single-service HMOs in FY 90 and FY 91)

Figure I – 30

COMPARISON OF MAINTENANCE TAX REVENUES, FY90 - FY91

Type	FY 90	FY 91
Motor Vehicle	$ 5,393,342	$ 6,281,066
Fire	19,513,636	20,017,834
Workers' Compensation	10,209,954	12,839,007 *
Casualty	6,622,169	6,414,006
Title	952,579	1,292,552
Life, Accident and Health	3,953,801	4,684,240
Third-Party Administrators	886,697	332,391
HMO	1,513,435	1,749,477
Prepaid Legal	0	6,637

** Figures shown here indicate collections over the fiscal year. Annual reports for prior years have shown calendar year totals.*

Figure I - 31

Staff Services

The Staff Services Division picks up and delivers mail, prints or publishes the majority of the agency's documents, administers the agency's records management plan, purchases goods and services in compliance with state regulations, maintains the agency's property inventory, and distributes consumable supplies.

Staff Services' major achievements for Fiscal Year 1991 included:

- Planning, procuring, and implementing an automated system for routing incoming telephone calls.
- Reviewing telephone billings to eliminate overcharges. In Fiscal Year 1991, this review led to the agency's receiving refunds or credits against future billings of more than $18,000. In addition, changes to the agency's contract for long-distance services saved more than $1,200.
- Finding alternative package delivery services and reducing postage expenses by approximately $15,000.
- Developing and implementing inventory management procedures that conform to state law and reduce the agency's paperwork burden.
- Beginning to automate some agency procurement and inventory functions.

In Fiscal Year 1991, this division helped carry out the agency's move from the old Insurance Building and Annex to the Republic Plaza Building, later renamed the William P. Hobby, Jr. State Office Building. Most agency employees are located now at the Hobby site.

The division also helped plan and monitor completion of the agency's warehouse at 7915 Cameron Road in Austin. Eight employees, the majority employed in the agency's printshop, are permanently stationed at this location.

Building and Records Management

Creation of a separate Building and Records Management Division shortened the chain of command and is expected to allow more rapid and flexible response to problems or questions involving building services, telecommunications, records retention or records destruction.

Before becoming a separate division in July, this area of Staff Services recorded several major achievements in Fiscal Year 1991, including:

- Working with the State Purchasing and General Services Commission to develop preliminary plans for construction of additional office space directly west of the Hobby building.
- Contracting with the Texas State Library for micrographic services required to comply with the state-mandated records management plan. This arrangement saves the agency about $60,000 annually without diminishing the level or quality of service.

Publications

This division centralizes the design, layout and illustration of agency publications. Consolidating design and production will improve the visual appeal, readability and effectiveness of agency publications.

Since its formation, Publications has begun to implement programs to improve the readability and appearance of agency forms and publications.

Information Resources Management

Information Resources Management is the center of the agency's automation and computer-related support efforts. This activity coordinates the strategic planning process through the Department of Information Resources, develops computer applications, provides computer training and advice, obtains and evaluates new computer hardware and software products, and maintains the agency mainframe computer.

Information Resources Management's goals are to manage information and computer-based data to serve the agency and the public, to make information easily available anywhere in the agency, to improve the efficiency and quality of computer-aided services to agency professional staff and management, and to integrate new and old technology to provide an efficient workplace.

Major accomplishments for Fiscal Year 1991 include:

- Installing 17 Local Area Networks and one Wide Area Network that link the agency's personal computers to each other and to the agency's mainframe.
- Adopting a Five-Year Strategic Plan for Information Resources Management.
- Developing the following software applications deriving from the Workers' Compensation Reform Act (Senate Bill 1, *Acts of the 71st Legislature, 2nd Called Session*):

  - Detailed claim information and subscriber notices systems,
  - Automation support for the Market Assistance Program, which was created to help Texas businesses obtain workers' compensation insurance from the voluntary market, and
  - Systems to compile experience data and investment income figures specific to the Texas operations of workers' compensation insurance companies.

Other accomplishments include:

Equipment

- Acquiring a new mainframe computer with a capacity to handle 51 million instructions per second (five times the computing power of the previous mainframe) and maximum central storage of 1,024 megabytes with 960 megabytes of additional storage.
- Completing installation of 700 desktop computers.

Agency standards

- Adopting standard computer hardware for use throughout the agency.
- Adopting standard word-processing, spreadsheet, data base, and project management software to control costs, simplify the exchange of data, and increase employee productivity.

Software applications

- Updating the computer systems supporting the *Liability Insurance Supplemental Report* and the *Investment Income Allocation Exhibits Report*.
- Acquiring and beginning the implementation of Oracle data base software.
- Developing an automation plan for the Early Warning Information System that the agency will use to make regulatory decisions about troubled companies, completing prototypes for three of its subsystems, and beginning work on five of nine principal components.

Training

- Providing an estimated 12,436 hours of instructor-led classroom training in use of the agency's newly purchased Microsoft Windows, Word, and Excel software, as well as Oracle, Spectrum, Microman II, and Human Resources Information Systems.
- Arranging use of the training resources available through the Department of Information Resources.

Other

- Adopting a project management and time accounting system allowing managers to precisely track project costs.
- Installing computer links to offices of the Comptroller and Water Commission as part of the agency's efforts to share information resources and data where feasible.

Budget Office

The Budget Office is responsible for preparing the Biennial Legislative Appropriation Request (LAR), the Annual Operating Budget, and the Semi-Annual Performance and Fund Management Report, which are required by the Legislative Budget Board and the

Governor's Budget Office. The agency's Budget Office also is responsible for monitoring agencywide expenditures on a monthly basis and developing budget projections to ensure that each activity is within its budgetary allocation.

During the 1991 legislative sessions, the Budget Office workload increased dramatically. The increase primarily resulted from numerous legislative committee requests which required the preparation of reports, charts and other documentation.

Also during the session, the agency was selected to prepare an additional budget submission, called an Outcome Budget. This document, prepared in cooperation with Statutory Implementation, involved identifying the agency's mission, goals and strategies, as well as numerous tactics. Once these were in place, activities then apportioned their budget requests to applicable tactics. This was a departure from the traditional method of establishing budgets along functional lines. The challenge of this task was complicated by the need to include funding for insurance reform, by changes to the organizational structure, and by the extremely short time frame for submitting the final document.

The Budget Office also is developing more effective and efficient methods to improve agency-wide budgetary operations. One such method has been to provide managers line graph presentations of the year-to-date budget versus actual expenditures, by activity. These reports have become a useful tool in assisting managers in fiscal planning. Another innovation has been for managers to provide detailed information on all planned expenditures, by object of expense, for the upcoming fiscal year. This approach has allowed the Budget Office and managers to better manage resources by comparing actual with planned expenditures.

HUMAN RESOURCES

The mission of the Human Resources Activity is to promote the agency's goals through proper staffing and staff development, appropriate techniques of planning and budgeting, and proper deployment and control of human resources.

In recent years, the agency's Human Resources activity has been revamped and modernized to increase the emphasis on health and wellness issues, education and personal development, elimination of discrimination in the workplace and on improving relations among agency employees. To meet these needs, the activity uses a variety of resources from seminars to support groups and videos to brown-bag lunches.

One of the Human Resources Activity's primary accomplishments in Fiscal Year 1991 was completion and publication of state and agency procedures, policies and laws compiled in Board-approved manuals. Those manuals included:

- **Personnel Policies and Employee Guide** - In addition to traditional personnel matters, this new guide states the agency's ethics policies embraced in a code of ethics and standards of conduct.
- **Wellness Plan** - The Wellness Plan sets new reporting requirements, including a new agency wellness report format. That report will be part of a new Human Resource Information System and will be reported annually for each fiscal year beginning with Fiscal Year 1991, as well as quarterly in Fiscal Year 1992.
- **Affirmative Action Plan** -The agency's Equal Employment Opportunity office prepares and maintains the written plan used to ensure that the agency does not slight employees or prospective employees who are protected by law from discrimination. The Affirmative Action Plan extends those protections to the areas of recruitment, evaluation, selection, appointment, training, and promotion. Statutes requiring the plan also call for monthly and quarterly reports to the Governor's Office and the Board.

In Fiscal Year 1991, the activity also began to offer the agency access to a new Human Resource Information System (HRIS) that allows staff to locate, organize, analyze and circulate human resource information by computer.

Also provided by the activity in Fiscal Year 1991 was a Job Analysis Program to help the agency create an objective job evaluation system. That, as well as a thorough analysis of agency job descriptions and classifications, was used to create a new job performance appraisal system now in use agencywide. The system is used to evaluate both

quality and quantity of work programs. All merit pay must be based on this system.

Work on a new career ladder program also began in Fiscal Year 1991. That project is now in its final development stages. It calls for interagency postings of each non-entry level classified position for at least five days before the position is filled, as well as new manuals and procedures for distributing program information.

Another major goal realized during the fiscal year was creation of a new agencywide employee ethics program and an ethics orientation for new employees. Both were designed to help staff know and abide by the code of ethics and standards of conduct contained in Art. 6252-9b, *Vernon's Texas Civil Statutes* and other relevant state laws.

Management

Some other accomplishments in the Human Resource Management and Planning areas during Fiscal Year 1991 included:

- Drafting a human resources strategy documenting the Board's philosophy on responsibilities, compensation and evaluation, and "critical positions".
- Developing a long-range plan for determining future labor needs and developing proper training programs.
- Assisting the Board, Commissioner and senior administrators in becoming familiar with position budgeting and its use as a management tool.
- Developing quantitative performance indicators consistent with goals and objectives of the agency.
- Involving employees in devising indicators for their jobs as part of the performance appraisal process.
- Providing training to all supervisors on conducting a performance appraisal review centered on goals and results, not personalities.
- Developing a plan for individual career development plans to be written for employees.
- Developing a comprehensive plan for evaluation, classification and compensation of all positions; updating job descriptions for these positions; recommending and implementing job reclassifications; and petitioning for exemptions from the classification system for key positions and those whose salaries are not competitive with similar jobs outside state government.

Employee Relations/ Equal Employment Opportunity/Wellness

Employee Relations receives and investigates all employee complaints alleging discrimination on the basis of race, color, sex, religion, age, national origin, or disability status. Employee Relations seeks to resolve in a prompt and appropriate way any violation of state or federal fair employment laws. Supervisors and managers are advised on how to avoid or reduce the number of complaints filed.

Employee Relations maintains statistics on all agency employees based on race, color, religion, national origin, sex, age, and disability status and compares the statistics to the available state workforce. The division assists in the recruitment of qualified minorities and women for positions available at the agency.

In addition, Employee Relations provides Equal Employment Opportunity training to management and staff. When necessary, the division provides specialized training in areas where a complaint indicates either managers or employees do not understand fair employment laws.

Employee Relations assists the employees Wellness Committee and Women's Committee in planning and holding their activities and coordinates agencywide participation in community activities sponsored by such groups as Adopt-A-School, United Way, and the American Heart Association.

Complaint data for Fiscal Year 1991 are shown in the following charts.

FORMAL INTERNAL ADMINISTRATIVE & EEO DISCRIMINATION COMPLAINTS FOR FY91

Program	Number of Formal Complaints
Board	0
Commissioner	0
Administrative Services	9
Consumer Services	3
Finance	6
Hearings	2
Legal Services	2
License and Investigations	9
Liquidation	19
Policy Planning and Research	0
Regulated Lines	8
State Fire Marshal's Office	1
Total	59

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Employee Relations Inquiries - FY91

Program	Fiscal Year Totals
Board/Commissioner*	21
Administrative Services	58
Consumer Services	10
Finance	28
Hearings	7
Legal Services	10
License and Investigations	30
Liquidation	49
Policy Planning and Research	8
Regulated Lines	50
State Fire Marshal's Office	0
Total	271

*Board and Commissioner inquiries will be counted separately in the future.

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Formal Discrimination Charges Before Texas Commission On Human Rights - FY91

TCHR #	Basis/Harm	Program/Division	Status
1. 1910073-S	Age/Hire	Regulated Lines/ Workers' Comp.	Closed
2. 1910307-S	Race/Terms & Conditions	Administrative Services/Mail	Closed
3. 1910457-S	Sex & Retaliation/ Promotion	Liquidation/ Receiver's Area	Open
4. 1910481-S	Race/Promotion	Liquidation/ Insurance Services	Open
5. 1910482-S	Sex/Promotion	Liquidation/ Insurance Services	Open
6. 1910514-S	Race & Color/ Promotion	License & Investigations/ Investigations	Open

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In the recruitment areas, accomplishments included:

- Ensuring that job specifications are non-discriminatory by validating employee specifications for each job title using job performance criteria.
- Making position descriptions and employee specifications available to all managers involved in recruiting, screening, selecting and promoting.
- Obtaining names of prospective employees from minority and women's organizations, including the Urban League, Equal Opportunity Programs Inc., National Association for the Advancement of Colored People (NAACP), and secondary schools and colleges with high minority enrollment, as well as the Texas Employment Commission.
- Encouraging minority and female employees to refer applicants.
- Advancing minority and female employees' participation in career days and related activities in the community.
- Participating in local and statewide job fairs.

In the Wellness area, accomplishments included:

- Designing the annual agency health and wellness survey as part of new Human Resource Information System.
- Maintaining an agency wide Wellness Committee and subcommittees to establish wellness policy and promote activities.
- Providing wellness program seminars, support groups, and manager training.
- Recruiting wellness coordinators from the agency workforce to support Alcoholics Anonymous, Al-Anon, weight management, smoking-cessation and other support groups.
- Scheduling health and fitness classes, health screening and information booths, and wellness seminars twice a month at the noon hour.
- Encouraging agency participation in charity fund raisers, environmental projects, and community events, and sponsoring cultural celebrations such as the Diez y Seis Celebracion.
- Establishing a Wellness information area with pamphlets, and literature on health fitness and related issues such as nutrition, weight management, smoking cessation, alcohol misuse, and women's health.
- Promoting participation in recreational team sports.

Staff Development

The Staff Development Division designs, conducts, and coordinates training for agency employees. A variety of learning experiences – from in-house seminars to national accreditation programs and computer training to university courses – are available to agency employees.

Staff Development and Human Resources directors have reviewed, refined and implemented the current training plan, which makes management training and professional growth priorities for the agency. That has led to increased participation in the Governor's Management Development Center.

Accomplishments in the area of Staff Development during Fiscal Year 1991 included:

- Training approximately 1,380 employees in the use of the new performance appraisal form and approximately 625 employees in setting job objectives.
- Coordinating agency wide ethics training for 1,300 employees, which began in July and was completed in Fiscal Year 1992.
- Developing and implementing a two-day New Employee Orientation Program that covers the strategic planning and goals of the agency, policies and procedures, benefits and compensation information, safety and security measures, equal employment opportunity laws and regulations, grievances and disciplinary actions, training opportunities, ethics, and wellness.
- Designing and conducting pilot programs for a three-day management training seminar for first-line supervisors.
- Implementing training to enhance communication between managers and employees and emphasize team building.
- Conducting monthly management training sessions in leadership skills, delegation, fair employment law, disciplinary action procedures, communication skills, dealing with difficult employees, interviewing, and situational leadership.
- Coordinating and tracking external training of employees. During Fiscal Year 1991, agency employees received a total of 32,178 hours of training through classes conducted by professional development groups.
- Increasing attendance at the Governor's Center for Management Development by 65 percent and attendance at professional insurance education programs by 62 percent.
- Producing procedures manual that includes sections on management training, tuition reimbursement, in-house and external training, college fairs, contract approval process, voucher process, and training calendar.
- Developing career counseling program as part of the Employee Development Plan; advising employees on career paths and professional growth plans.
- Delivering management training courses.
- Providing for technical insurance training, including financial analysis, examinations, conservation, and liquidation.
- Developing a training program for the Claims and Complaints Activity employees, including effective writing and listening skills and telephone techniques.

PERSONNEL

This activity consists of two divisions – Personnel and Compensation and Benefits. It provides service, support, and guidance in a range of employment matters from date of hire to retirement. The activity not only maintains detailed employee records but also helps the agency hire new employees.

Personnel

In Fiscal Year 1991, Personnel's goal was to improve customer service within the agency. Accomplishments during the fiscal year included:

- Administering the "Catastrophic Sick Leave Pool," a program that allows employees to donate unused sick leave time to a pool for later use by those stricken by major illnesses. During the year, Personnel sponsored a drive that increased available hours in the pool from about 400 to more than 6,000. About 4,000 of those hours were granted to agency employees and their families.

- Improving service to the hearing-impaired by purchasing a state-of-the-art communications system known as a Telecommunications Device for the Deaf (TDD). The system, which will be available for all agency business, allows the deaf and hearing-impaired to communicate with the staff through a computer terminal where type-written communications can be sent and received.
- Beginning installation of the agency's "Job Line" on the new Automated Attendant Operating System, a computerized telephone operator that provides the public with job information and application mail-out services 24 hours a day. During normal working hours, a caller has the option of speaking to an operator about additional information. The system also can route calls based on choices made from a simple menu or extension numbers punched in with a touchtone telephone.
- Reorganizing to allow an individual personnel representative to be assigned exclusively to each of the agency's major program/activities..

Compensation and Benefits

The Compensation and Benefits Division is responsible for (1) ensuring that every employee is paid the correct amount in a timely manner; (2) preparing and submitting various monthly, quarterly, and annual reports related to wages and benefits programs as required by the appropriate authorities and doing so accurately, thoroughly, and expeditiously in order to avoid penalties; and (3) working and acting as benefit programs liaison, maintaining and implementing various benefit programs within the regulations and procedures defined by state, federal, and local governmental agencies.

During Fiscal Year 1991, Compensation and Benefits intensified its efforts to provide a more comprehensive orientation on various benefit programs, which resulted in the development of a new, more concise benefits packet. Furthermore, more extensive analyses were performed on the benefit records of each employee to help make better benefit selections for employees. The division also provided information seminars once a month on various benefit programs. In acknowledgement of this effort, the Compensation and Benefits Division received an Employee Retirement System commendation letter, one of only five of the 176 state agencies participating in the TexFlex program to receive such an honor. Agency enrollment in the TexFlex Premium Conversion Plan increased 78 percent from Fiscal Year 1990 to Fiscal Year 1991.

Compensation and Benefits also began providing orientation programs on Uniform Group Insurance and TexFlex to give new employees key information they need before the expiration of their initial eligibility period, which is the first 31 calendar days of state employment. The division also researched, recommended, and implemented the Supplemental Dental Program (an optional non-payroll-deduction program) effective December 1, 1990, for agency employees.

Liquidation

The Liquidator is required by Article 21.28 of the *Texas Insurance Code* to take charge of the assets of insurance companies placed in receivership by the district courts of Travis County. The agency's role in that process will be changing, however, under terms of House Bill 62, *Acts of the 72nd Legislature, 2nd Called Session*. That legislation, in part, calls for much of the receivership process in the future to be handled in the private sector. During Fiscal Year 1991, however, the agency's Liquidator/Receiver was directed by statute to "take such steps as may be necessary to conserve the assets and protect the rights of policyholders and claimants for the purpose of liquidating, rehabilitating, reinsuring, reorganizing or conserving the affairs" of insurance companies subject to the direction of the court.

In addition, the Liquidator/Receiver is responsible for processing claims covered by the three Texas guaranty associations. These associations, more commonly referred to as "guaranty funds" are:

- Texas Property and Casualty Insurance Guaranty Association (Article 21.28C, *Texas Insurance Code*),
- Life, Accident, Health & Hospital Service Guaranty Association, (Article 21.28D, *Texas Insurance Code*), and
- Texas Title Insurance Guaranty Association (Article 9.48, *Texas Insurance Code*).

These associations are funded by assessments of existing premium-writing insurance companies. Assessments are made on an as-needed basis and are based upon estimates of claims liabilities which a guaranty association must fund during the ensuing 12 months.

TEXAS GUARANTY ASSOCIATION ASSESSMENTS, 1975 - 1991

Fiscal Year	Life/A&H	P&C	Title	Total
1991	$24,970,000	$122,602,000	$6,215,000	$153,787,000
1990	112,476,000	61,019,000	5,560,000	179,055,000
1989	16,359,000	41,231,000		57,590,000
1988				-0-
1987	33,500,000	41,680,000		75,180,000
1986	5,000,000	20,000,000		25,000,000
1985	8,000,000	20,000,000		28,000,000
1984	4,000,000			4,000,000
1983				-0-
1982	10,000,000			10,000,000
1981	3,000,000			3,000,000
1980				-0-
1979	1,840,000			1,840,000
1978	1,200,000			1,200,000
1977				-0-
1976		4,120,000		4,120,000
1975	600,000	3,305,000		3,905,000

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The number of new receiverships declined substantially in Fiscal Year 1991 compared to the volume of receivership orders entered by the courts in Fiscal Year 1990. Eighteen insurance companies doing business in Texas – 12 domestic and six foreign – were placed in receivership in 1991, compared with 33 in 1990.

The number of domestic (Texas-chartered) companies placed in receivership – both property and casualty companies and life, accident and health companies – also declined from 19 in 1990 to 12 in Fiscal Year 1991.

Nearly all of the Fiscal Year 1991 insolvencies were small companies, but one large insolvency drove the average liability per receivership to $17 million. Taking out liabilities from that one workers'

compensation carrier – Texas Employers' Insurance Association – the average guaranty association liability per receivership dropped to about $2.4 million. Take out one more workers' compensation carrier and the average liability dropped to $1.2 million. The average guaranty fund liability in Fiscal Year 1990 for twice the number of receiverships was $5 million.

As noted, however, the favorable trend was undermined by the failure of Texas Employers' Insurance Association. The domestic company, chartered in 1913, insured more than 16 percent of the Texas market for workers' compensation insurance. It currently represents a guaranty fund liability in excess of $200 million, which prompted the Commissioner to impose the maximum legal assessment on workers' compensation carriers in Fiscal Year 1991.

Ten insolvencies in Fiscal Year 1991 involved property and casualty insurance companies, with seven being domestic companies and three foreign (out-of-state).

Life and health insurance insolvencies dropped sharply in 1991. Only five domestic and three foreign, or out-of-state, life and health companies were placed in receivership in Fiscal Year 1991, compared with 12 domestic and five foreign the previous year.

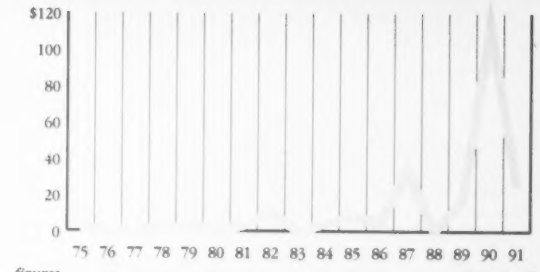
No new title insurance company insolvencies occurred during the fiscal year. The title assessment for 1991, $6.2 million, is for the remaining liability for the large Title U.S.A. insolvency, which came into receivership during Fiscal Year 1990.

There were no unauthorized or guaranty fund non-member entities placed in receivership in Fiscal Year 1991.

During the fiscal year, 26 receivership estates were liquidated and closed, leaving 154 active receiverships including both guaranty fund and non-guaranty fund entities still in the process of liquidation.

For more details on individual receiverships and guaranty fund accounts, see Part III of this report.

Assessments For Life, Accident, & Health Guaranty Fund, 1975 - 1991



figures in millions

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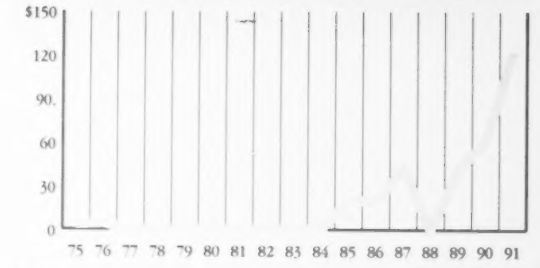
Assessments For Property & Casualty Guaranty Fund, 1975 - 1991



figures in millions

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Regulated Lines

Although the agency reorganization reduced the size and scope of various activities, Regulated Lines continues to be one of the most diverse programs in the agency, dealing with issues as varied as amusement ride inspections and premium finance companies. Under the reorganization plan that was in place by mid-1991, Regulated Lines now includes five activities: Life Group, Property, Casualty, Workers' Compensation and Insurance-Related Activities.

LIFE GROUP

This activity's job is to ensure that life and health products marketed in Texas by licensed insurance companies comply with applicable statutes and Board rules. To check for compliance, the Life Group performs technical review and analysis of new and revised policy "forms." These forms may provide life insurance, annuities, accident and health insurance, or credit life and credit accident and health insurance under individual or group contracts. The contract "forms" may consist of policies, certificates, riders, applications, amendments and endorsements.

Insurance companies continually offer new kinds of life and health policies that may reflect changing economic conditions, competitive forces, and revisions in laws. The Life Group must assure that those policies are in compliance with all state laws and regulations in a timely manner so that new products are made available to consumers.

The Life Group also responds to numerous inquiries and requests for assistance from consumers, legislators and others seeking technical information. It drafts and proposes rules, as necessary, to implement statutes enacted by the Legislature.

Additional functions of the Life Group include maintaining permanent records of all forms filed and all formal actions taken with respect to those forms, updating the various computer applications for use in verifying cash surrender values and other nonforfeiture benefits of life insurance policies, reviewing actuarial memoranda and reported loss ratios from companies, and collecting and compiling statistical data for use in various reports.

Four divisions in the Life Group specialize in the technical review and analysis of specific types of forms (products) filed for use in Texas by licensed insurance companies. These four divisions are: (1) Individual Accident and Health Insurance; (2) Individual Life Insurance and Annuities; (3) Group Life and Accident and Health Insurance; and (4) Credit Life and Credit Accident and Health Insurance.

Technicians in each of these divisions handle the technical review and analysis process which, in part, includes:

- Assuring that forms contain required provisions, meet minimum standards, and do not contain provisions that are prohibited because they are unjust or deceptive.
- Calculating values to confirm that the method and basis used is appropriate and accurate for the benefits provided.
- Reviewing the composition of any "group" for which a policy might be written to confirm that it is an eligible group under state law.
- Reviewing credit life and credit accident and health insurance rates for compliance with statutes and rules.

After completion of this process, technicians may recommend approval or disapproval of forms reviewed or may notify companies of compliance problems requiring corrections. Technicians also may participate in meetings and conferences to advise insurance companies regarding changes necessary to bring the forms into compliance.

Life Group participated in a variety of other regulatory activities in Fiscal Year 1991, including:

- Completing rules to establish standards for use by insurance companies, other third-party reimbursement sources, and chemical dependency treatment centers for reasonable control of costs for inpatient and outpatient treatment of chemical dependency. These rules,

effective August 28, 1991, were developed pursuant to Article 3.51-9, *Texas Insurance Code*, and adopted under 28 *Texas Administrative Code*, Section 3.8001 - 3.8022.

- Helping establish premium rates for credit life and credit accident and health coverage. The newly adopted rates, effective October 1, 1991, reduced charges Texas consumers must pay for credit insurance. This action is expected to save consumers approximately $34 million per year when compared to 1989 credit insurance premiums.
- Holding a number of meetings relating to limitations on agents' compensation, as provided for in the Medicare supplement insurance rules. Despite agent opposition to these limitations, the new and revised Medicare supplement rules (28 *Texas Administrative Code* Sections 3.3306 - 3.3309 and Sections 3.3319 - 3.3321) were implemented. The rules limit agent compensation upon replacement, increase required disclosures to consumers, and enhance protection of senior citizens purchasing such insurance.
- Preparing and submitting a description and summary of the Texas regulatory program for Medicare supplement insurance to the U.S. Health Care Financing Administration for consideration, required by Section 1882 of Title XVIII of the *Social Security Act*. That led to Texas receiving final federal approval of the state's regulatory program.
- Conducting statistical studies relating to Medicare supplement insurance, credit life and credit accident and health insurance, and the effects of HIV and AIDS on health insurance coverage in Texas. These studies are still in process.
- Working with committees concerned with senior issues and insurance needs of older Texans, particularly regarding additional future changes required for Medicare supplement insurance due to changes in the *Omnibus Budget Reconciliation Act* of 1990 (OBRA '90).
- Drafting major legislation for credit life and credit accident and health insurance, long-term care insurance, and Medicare supplement insurance to improve regulation and enhance protections for consumers. The Medicare supplement legislation was drafted specifically to meet new mandatory federal standards for state regulatory programs, pursuant to OBRA '90.
- Preparing numerous and extensive analyses of proposed legislation during the regular session of the 72nd Texas Legislature and two called legislative sessions. The activity also provided technical assistance relating to proposed legislation whenever needed.

The Life Group also provided various training courses for staff, including computer classes for a newly installed local area network (LAN) designed to streamline some regulatory processes.

The following chart, Summary of Activity - Policy Form Review, provides the number of forms filed with the Life Group and the number of forms on which actions were taken, all categorized by type of action. The numbers in the chart are solely a quantitative measure of the workload in the activity and do not reflect any qualitative measurement, such as the legal, actuarial, and/or technical complexity of the workload. All forms "filed" that meet filing requirements are "accepted" for review or filing as "exempt." Other forms filed are rejected for failure to meet basic filing requirements. Forms "approved" are those that comply with statutes and rules; forms "disapproved" are those that fail to comply. Forms that are "exempt" are not subject to review.

Summary of Activity - Policy Form Review

Forms	FY 90	FY 91
Filed	26,230	27,248
Accepted	24,150	23,442
Approved	10,002	10,594
Disapproved	1,369	1,779
Exempt	11,050	10,941

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The overall number of "forms filed" with the Life Group in Fiscal Year 1991 increased by more than 1,000 from the prior fiscal year. The number of "forms accepted" for filing and review decreased because more forms were rejected for failure to meet basic filing requirements.

The next table, Average Form ReviewPeriod, reflects the average number of days particular kinds of forms are pending while awaiting action by the Life Group. The increase in review time is due primarily to the amount of staff time diverted from file review during installation of personal computers on a local area network (LAN) system and training in the use of new software. This software included applications for calculating cash surrender values and paid-up nonforfeiture benefits for individual life insurance and annuities. The installation of the LAN, however, should help to automate and expedite the review process in the future.

AVERAGE FORM REVIEW PERIOD

	FY 88	FY 89	FY 90	FY 91
Individual Life/Annuity	34 days	28 days	27 days	45 days
Group Life and A&H	38 days	29 days	43 days	36 days
Individual A&H	21 days	21 days	26 days	27 days
Credit Life and A&H	15 days	17 days	12 days	12 days
Average Length of Time for All Divisions	27 days	23.75 days	27 days	31 days

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PROPERTY

The Property Activity is responsible for the regulation of all property insurance sold in Texas. Functions of this activity are designed to assure continued effective fire protection, accurate and fair property insurance rates, effective wind-resistant building codes for property along the Gulf Coast, and availability of reasonable and comprehensive property insurance policies.

During Fiscal Year 1991, this activity focused on enhancing the services it provides. For example, to assure the availability of an adequate inspection force at all times, the staff was cross-trained. The activity also increased its use of computers to provide more efficient response to inquiries.

One of the most important consumer efforts of the activity involved initiation of a rewrite of the Texas Dwelling Policy, Farm and Ranch Policy, and the Farm and Ranch Owners Policy, to improve their reading comprehension to the eighth-grade level. Continuing an agency effort that began in 1989 to make policies more readable, the staff joined with Board-appointed advisory committees in rewriting the three policies in an easy-to-read form with fewer words and shorter sentences. The policies will be considered by the Board in Fiscal Year 1992.

The Property Activity also participated in advisory committee work involving revisions to the fire rating system and the key rating system for property policies. A review of current statutes was initiated to determine if added flexibility for rates and forms can be provided. Work on that study of the Texas Key Rate System is expected to continue after transfer of the activity's key rate duties to the Texas Commission on Fire Protection, a new agency that will include the State Fire Marshal's Office.

Property Rating

The Property Rating Division is responsible for promulgating new fire insurance rates and revising existing fire insurance rates for use in determining property insurance premiums for individual commercial risks. To accomplish this mission, 21 field offices have been established in Abilene, Amarillo, Austin, Beaumont, College Station, Corpus Christi, Dallas, El Paso, Fort Worth, Harlingen, Houston, Lubbock, Midland, San Angelo, San Antonio, Sherman, Texarkana, Tyler, Victoria, Waco, and Wichita Falls. Property rating technicians in these offices evaluate and promulgate fire and extended coverage rates on all commercial buildings, schools, churches, public buildings, and other structures where individual rating is required. These rates, based on formulas and schedules promulgated by the Board, take into consideration the construction, occupancy, location, fire protection, and fire hazards of the various buildings. More than 792,000 rates are maintained by the Property Rating Division.

Summary of Activity - Property Rating

	FY 90	FY 91
New Buildings Inspected	20,780	18,293
Existing Building Rates Revised	22,658	24,824
Rates Canceled	5,080	3,863
Visitors Counseled	1,830	1,082
Number of Telephone Calls	36,995	43,473
Written Requests for Rate Information	1,973	1,830

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Computer Rate Service

Once rates are promulgated, they are stored in the agency's mainframe computer by the Computer Rate Service. Companies can access the information by direct computer links. Agents also can receive data over the telephone or by mail. This division receives more than 250 telephone calls an hour on busy days from agents and companies in need of a rate calculation before a policy is issued. In addition to rates, the Computer Rate Service furnishes certificates for, and keeps records of, structures involved in the windstorm inspection program, which helps control insurance rates by ensuring that builders along the Gulf Coast use proper materials and follow wind-resistant construction codes.

Summary of Activity - Computer Rate Service

	FY 90	FY 91
Property Rate Master File Activity		
New Building Rates	15,684	13,848
Deleted Rates	5,578	5,950
Revised Rates	51,978	49,501
Total Activity	73,240	69,299
Rate Requests Furnished		
By Telephone Calls	413,836	392,688
By Letters	147,691	165,327
In Office	7,116	7,344
Total Rates Furnished	568,643	565,359
Active On-Line Master Files	783,697	792,082

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Windstorm Inspection Division

The Windstorm Inspection Division was created in 1988 to administer the Texas Windstorm Inspection Program under Section 6A, Article 21.49, *Texas Insurance Code*. That law requires that all new construction, additions, or repairs to property located in 14 Texas coastal counties be inspected for compliance with wind-resistant construction standards before they are eligible for windstorm insurance through the Texas Catastrophe Property Insurance Association (TCPIA). This division provides inspections of property and assists consumers, architects, and builders in complying with the applicable building codes.

With the exception of Jefferson County, new construction has continued to decline along the Texas Gulf Coast due to economic conditions. This decline and the absence of major storms which would have required repair inspections, account for the decrease in inspection activity between Fiscal Year 1990 and Fiscal Year 1991.

Public education on the Windstorm Inspection Program continued in meetings with civic and trade groups and the general public. Education and professional development of agency inspection staff also continued with 16 inspectors taking the Southern Building Code Congress International Coastal Building Inspector exam and 11 inspectors taking the Southern Building Code Congress International Building Inspector exam.

Summary of Activity - Windstorm Inspection Program

	FY 90	FY 91
Applications	16,034	12,976
Inspections	32,732	21,353
Certificates of Compliance	11,110	10,432
Letters Received	2,422	1,880
Letters Written	2,670	1,377
Telephone Calls Received	150,250	94,152
Visitors Served	2,180	1,284

Figure I - 42

Average Rate Office

This division administers, calculates, and promulgates average rates when more than one building is insured under a single policy. For instance, if a chain of stores with offices in several cities wants a single property policy, this office averages the various factors that constitute the rate to establish a single average rate. Records are maintained and provided by technicians in the main property rating office in Austin.

The division also assists in the interpretation and application of rating rules and regulations. The conversion to full computerization of average rates during Fiscal Year 1990 improved the efficiency and quality of service for Fiscal Year 1991. This resulted in a quicker response to requests for rate information.

Summary of Activity - Average Rate Office

	FY 90	FY 91
Number of Average Rate Bulletins Published	8,033	8,146
Requests for Average Rate Information	10,337	9,439

Figure I – 43

Insurance Lines

The Insurance Lines Division provides technical assistance and oversight of rules, regulations, and policy forms for the four major lines of property insurance: commercial multi-peril, inland marine, petroleum properties, and personal property lines.

Commercial Multi-Peril: This section is responsible for the regulation of commercial property insurance, including both commercial fire and multi-peril policies. Staff reviews all requests for changes to any of the commercial fire and multi-peril policies, forms, or endorsements and presents recommendations to the Board for final disposition. When changes are adopted by the Board, this section is in charge of implementing those changes. The section also is responsible for coordinating, proofreading, assembling, printing and distributing commercial multi-peril revisions to the Texas General Basis Schedule (GBS), the only insurance manual currently published exclusively by the Board.

In Fiscal Year 1991, the section continued to rewrite all commercial property policies into an easy-to-read form. Staff also assisted a Board-appointed advisory committee in developing new policies.

Summary of Activity - Commercial Multi-Peril

	FY 90	FY 91
Requests for Rate Information	9,048	8,809
Number of Complaints Processed	99	82

Figure I –44

Inland Marine: This section is responsible for the regulation of inland marine insurance in accordance with applicable provisions of Article 5.53, *Texas Insurance Code*, and the Texas definition of inland marine insurance. Generally, inland marine policies cover valuables and other precious personal and business items not normally covered under standard property policies. During Fiscal Year 1991, this section acted on filings covering accounts receivable, valuable papers, stamp collections, personal jewelry, films and negatives, floor plans, and equipment dealers. In addition, 198 individual filings for excess rates in connection with various classes of inland marine insurance were processed for Board approval.

Petroleum Properties: Although this section is called "Petroleum Properties," it actually oversees a variety of property insurance regulatory functions. It processes and prepares Board orders on three programs: Plan "C" deviations, percentage deviations and property dividends. The section also is responsible for accepting rate filings for all eligible petroleum property and for approving named rate filings, excess-of-loss filings, and excess rate filings.

Summary of Activity - Petroleum Properties

	FY 90	FY 91
Plan "C" Deviation Transactions	10	10
Percentage Deviation Transactions	300	514
Dividend Transactions	10	11
Named Rate Filings	912	847
Excess-of-Loss Filings	270	254
Excess Rate Filings	3,226	11,389

Figure I – 45

Property dividends are proposed by insurance companies as a way to refund some of their consumers' premium at the end of the policy period. Such refunds must receive agency approval.

Plan "C" deviations involve discounts from Board-established rates for large risks, such as hospitals or large manufacturing plants, that have gone to additional trouble and expense to make their facilities safer than similar properties covered by normal insurance policies. Only insurance companies offering engineer and inspection service qualify to offer special rating schedules for these large risks.

This section also processes deviation requests for all property insurance policies under Article 5.26, *Texas Insurance Code*, including homeowners, farm and ranch owners, fire, and other property insurance lines.

Percentage deviations are an insurance company's proposed percentage discounts on Board-approved property insurance rates. Although both upward and downward deviations from Board-approved rates are permitted in some lines, property writers may deviate only downward through percentage discounts. Higher rates are possible only under so-called consent-to-rate filings.

In Calendar Year 1990, 80.9 percent of homeowners insurance written by rate-regulated companies was written below the manual rate set by the Board, with an average downward deviation of 16.9 percent.

Three-Year Summary of Homeowners Deviations

	CY 1988**	CY 1989*	CY 1990*
Downward Deviations			
Average Statewide	17.2%	17.5%	16.9%
Percentage of Market Written	86.8%	85.1%	80.9%

** This table includes information only for multi-peril homeowners policies. It does not include tenant homeowners, farm and ranch owners, fire, or other residential property coverages.*

*** Deviations are reported for each "experience year", which includes the most recent data available at the time of the annual property rate hearing.*

Figure I – 46

Named rate filings involve those rates filed by an insurance company in the absence of a Board-established rating schedule. Excess-of-loss filings involve policies where the deductible on the property is in excess of $100,000. Excess rate filings include those requests to write policies on property in high-risk areas at rates much higher than those approved by the Board.

Excess rate filings more than tripled during the year, mostly due to filings by one company.

Personal Property Lines: This section oversees the regulation of residential insurance, including multi-peril policies such as homeowners, and farm and ranch owners contracts. This section also supervises activities of county mutual insurance companies and shares in duties related to production and distribution of the *Texas General Basis Schedule*. The homeowners security program under Article 5.33A, *Texas Insurance Code* (whereby homeowners receive premium discounts for meeting certain theft prevention standards, such as deadbolts and window locks) also is administered by this section. At the end of Fiscal Year 1991, 35,000 premium reduction certificates were in force under this program, up about 16 percent from Fiscal Year 1990.

Growth Of Premium Reduction Certificates In Texas, FY87 - FY90

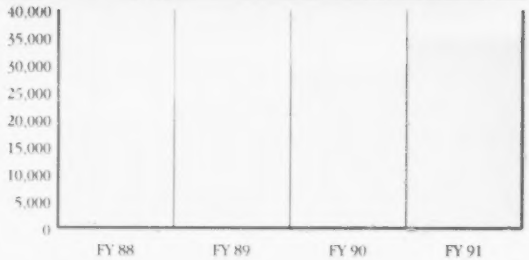


Figure I – 47

In Fiscal Year 1991, the section began developing a new dwelling and Farm and Ranch Policy and rewriting the Farm and Ranch Owners Policy into an easy-to-read form. This section assisted an advisory committee appointed by the Board to develop new policies. The Board has commissioned a read-ability study of the new policies. That study must be completed and corrections made before final Board approval is sought in Fiscal Year 1992.

Summary of Activity - Personal Property Lines

	FY 90	FY 91
Telephone Calls	10,296	13,085
Certificates Issued	7,707	7,033
Rate Quotes	269	224
Complaints Processed	536	514
Premium Reduction Certificates in Force	30,162	35,000

Figure I – 48

Engineering

The Engineering Division inspects and/or evaluates the firefighting capabilities of some 595 cities and towns throughout Texas. Through this process, key rates are established for each individual city and town based on fire department equipment and personnel, water capacity, size of water mains, building codes and other fire protection. Inspections also are conducted to calculate fire rate credits for individual buildings protected by automatic sprinkler systems and automatic fire alarm systems.

During Fiscal Year 1991, this division inspected 124 cities for key rate purposes and published 361 key rate supplements.

The division also reviewed 732 sets of drawings of automatic sprinkler systems and automatic fire alarm systems and conducted field inspections and tests of 216 new installations and 419 existing installations.

In addition, inspectors checked three cities with new water systems and tested 225 pumpers from various fire departments. Engineering draftsmen drew 17 new waterworks maps and corrected 186 drawings.

Four Highly Protected Risk (HPR) ratings also were approved. HPR ratings are reserved for large plants and manufacturing operations that take extra steps to provide protection from fire and other threats. Those precautions might include a special sprinkler system.

Engineers and inspectors worked at making inspections more current, devoting considerable time to architects, builders, sprinkler companies, city officials, and individuals needing assistance with fire protection problems.

The engineering staff also assisted the Key Rate Advisory Committee appointed by the Board on February 27, 1990, (Board Order 55949) in its study of the Texas Key Rate System. The study is being continued under the direction of the newly created Texas Commission on Fire Protection, with a report expected in Fiscal Year 1992.

Summary of Activity - Engineering

	FY 90	FY 91
Key Rate		
Field Inspections	98	124
Supplements Published	318	361
Auto Pumpers Retested	183	225
New Waterworks Systems Inspected	1	3
Automatic Sprinkler		
Systems Plans Checked	858	732
Field Inspections (Old)	342	419
Field Inspections (New)	221	216
Old Maps Corrected	173	186
New Maps Drawn	14	17
Highly Protected Risk Rates	4	4

Figure I – 49

CASUALTY

The Casualty Activity oversees regulation of all lines of casualty insurance, including automobile, general liability, professional liability, and other miscellaneous lines. The activity also includes loss control functions designed to reduce insurance losses by overseeing compliance with laws requiring insurance companies to provide safety services in various lines of casualty insurance.

Liability Insurance

Two separate sections are responsible for regulating liability insurance activities. The General Liability Section administers statutes and rules related to a wide variety of personal and commercial liability contracts. The Professional Liability Section regulates professional liability insurance, such as medical liability coverage for health care providers.

General Liability: The primary function of this section is analyzing and processing, for Board approval, various policy forms, endorsements, and manual rules filed by insurance companies and licensed rating organizations for the various liability insurance lines. During Fiscal Year 1991, the General Liability Section reviewed and approved 100,198 individual rate filings, processed and computed 10,667 experience ratings, performed audits on 90,820 policy form filings, responded to 63,713 telephone inquiries and 37,492 written inquiries, and processed 370 written complaints.

SUMMARY OF ACTIVITY - GENERAL LIABILITY

	FY90	FY91
"A" Rate Filings	120,342	100,198
General Information Requests	70,499	101,205
Program Filings	76,314	90,820
Rating	8,579	10,667
Complaints	210	370

Figure I – 80

Professional Liability: The primary function of the Professional Liability Section is to regulate medical liability insurance under Article 5.15-1, Texas Insurance Code, as well as more than a hundred active miscellaneous professional liability programs (e.g., errors and omissions and directors and officers insurance). The division also monitors 11 professional liability programs exempted from rate and form regulation by the Board.

Medical professional liability includes coverage for physicians, surgeons, hospitals, dentists, registered nurses, chiropractors, optometrists, blood banks, not-for-profit nursing homes, podiatrists, and other specified health care providers. The miscellaneous professional lines include such diverse lines as auctioneers, morticians, and sex counselors. Among the exempted programs are attorneys, accountants, and architects.

Texas physicians paid $169,798,944 in medical malpractice premiums in Calendar Year 1990. This is up slightly from 1989's $163,177,243 and 1988's $164,932,871. The increase probably results from a modest rise in premium rates, growth in the number of practicing physicians, and possibly reduced popularity of risk retention groups. The trend over recent years indicates a continuing, though tenuous, price stability in the medical malpractice marketplace.

Another indication of this stability is that the number of consent-to-rate and "A" rate filings remained fairly stable, dropping slightly from 12,137 to 11,513. These applications are filed on behalf of health care providers who agree to a liability insurance rate higher than that approved by the Board under its rate regulatory authority.

The Professional Liability Section also regulates the Texas Medical Professional Liability Insurance Underwriting Association (Texas JUA). The Texas JUA was established by Article 21.49-3, *Texas Insurance Code*, to provide a state-controlled market of last resort for Texas health care providers unable to find insurance in the commercial market. Fiscal Year 1991 was the fourth year in a row the JUA did not have to assess policyholders to cover a deficit.

Professional Liability continues to monitor the functioning of the *Omnibus Health Care Rescue Act* Article 5.15-4, Texas Insurance Code. This article was amended by the 71st Legislature to include health care centers. The first full year of operation of the program resulted in no paid claims. This is considered neither unusual nor a reason for optimism. Professional liability claims in Texas typically take almost five years from the date of occurrence to date of payment.

The section's tasks include overseeing the Texas Medical Liability Trust operated under the authority of Articles 21.49-4 and 21.49-4a, *Texas Insurance Code*. These articles allow an association to form a trust to self-insure physicians and dentists against health care liability claims. The trust was formed in the 1970s and under new legislation must report its operations to the agency annually. Staff now is studying the new legislation with a view toward rules regulating the frequency and type of reports to be required.

During Fiscal Year 1991, the section also:

- Progressed toward completion of a micrographic project to film several years of bulky filings.
- Researched groups whose professional liability lines currently are regulated by the Board and urged that they be deleted or retained on the regulated list.
- Completed computer training for staff in newly introduced software.
- Assembled a listing of prospective candidates for appointment as public members to the Texas JUA Executive Board under new statutory direction requiring more public members.
- Researched potential regulation of miscellaneous professional liability lines under Article 5.13-2, Texas Insurance Code, and recommended new regulatory procedures to the Board. This involves companies that have filed their own programs for coverage of a particular hazard not currently regulated by the agency.

SUMMARY OF ACTIVITY - PROFESSIONAL LIABILITY

	FY90	FY91
"A" Rates and Consent-to-Rate filings	12,137	11,513
Telephone Calls	12,109	7,787
Board Orders	62	48
Written Complaints	115	34
Letters, Memos and Bulletins	8,011	5,439

Beginning FY 91, only numbers for processed completed activities are reported.

Figure I - 51

Automobile, Title, Bond, Burglary, Plate Glass, and Miscellaneous Casualty Lines

This division administers the statutes and Board regulations pertaining to (1) automobile, (2) bond, burglary, plate glass and miscellaneous casualty lines, and (3) title insurance.

Automobile: Functions of this section generally involve complaint resolution, research, development and review of existing and proposed automobile insurance policy forms, endorsements, coverages, and manual rules. In addition, this section is responsible for overseeing the activities of the Texas Automobile Insurance Plan (TAIP), sometimes known as the "assigned risk pool" for automobile liability insurance. Specific tasks of the section include such things as reviewing and verifying automobile experience ratings and composite loss ratings; reviewing and processing individual risk submissions, automobile consent-to-rate applications, statewide class rate deviation applications and company dividend filings; and assisting consumers with complaint resolution and inquiries regarding automobile insurance rates, underwriting, and other issues unrelated to claims. Complaints related to claims are handled by Claims and Complaints in the Consumer Services Program.

Automobile insurance accounted for 40 percent of the total Texas property and casualty premiums in Calendar Year 1990, the latest full year for which premium data is available. During that year, written premiums on auto insurance for all Texas licensed companies totaled $6.1 billion, an increase of eight percent over the $5.6 billion recorded in Calendar Year 1989. Premiums for county mutual insurance companies, which are exempt from the uniform automobile insurance rate laws, accounted for 19 percent of the total market, up from 17 percent the previous year.

Although county mutual insurance companies are statutorily exempt from rate regulation, their rates must be filed with the Board for information purposes. In Fiscal Year 1991, the Automobile Section processed 239 rate filings by county mutuals.

Insurers subject to the Board's rate regulation have the option of selling automobile insurance at rates other than those promulgated by the Board. Companies may file for deviations (upward or downward), or with the consent of the policyholder, may charge rates in excess of Board promulgated rates. As of August 31, 1991, the Board approved 446 automobile rate deviations, including 64 downward and 85 upward on commercial auto policies, and 138 downward and 159 upward on private passenger automobile policies.

The responsibility for receiving and processing individual dividend filings was transferred to the Automobile Section during Fiscal Year 1989. Companies may return a portion of premium to policyholders at the end of the policy period. These dividends must be preapproved by the agency. A total of 111 automobile dividend filings were processed during Fiscal Year 1991, a 26 percent decrease from the 151 filings of Fiscal Year 1990.

A total of 111,464 individual risks were submitted under consent-to-rate filings, representing nearly an eight percent decrease from Fiscal Year 1990. This decrease may be attributed to different marketing strategies of insurance companies, company insolvencies, and wider use by companies of approved upward deviation filings. During Fiscal Year 1991, the Automobile Section acquired a rating software program to verify standard rates charged to policyholders on consent-to-rate filings.

Summary of Activity - Automobile

	FY 90	FY 91
Experience Rating Files	34,327	31,277
Composite Ratings	812	702
Loss Ratings	83	47
Nonstandard Limits	87	10
Liability Ratings Received	9,600	6,941
Experience Rate Ownership/Inquiries	34,327	19,828
Specimen Automobile Policies	118	143
State Agency Auto Policies	61	75
Consumer Inquiries/Complaints*	96,758*	68,571*
Deviation Filings	435	423
Dividend Filings	151	111
Consent-to-Rate Filings (CTR)	120,815	111,464
Individual Risk Submissions (IRS)	2,271	4,254
County Mutual Rate Filings	245	239
Board Orders**	692	764
Commissioner Orders	151	75
Bulletins/Mailings	26,251	19,334
Hearings/Meetings+	—	1,058

* *Because of changes in reporting methodology, FY 90 and FY 91 numbers are not comparable.*

** *Board Orders broken out by type are: 531 Deviations, 16 IP Symbols, 208 IRS, 9 General.*

\+ *Hearings/Meetings counted in hours as of FY 91.*

Figure I – 52

Auto Insurance Premium Written By Companies Exempt From Rate Regulation, CY86 - CY90

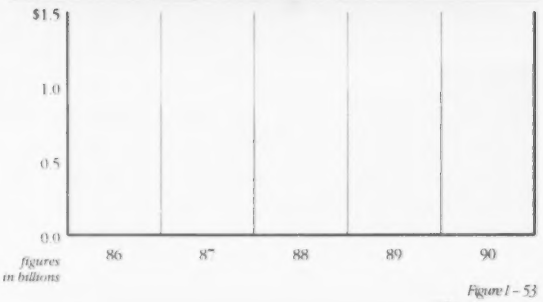


Figure I – 53

Percentage Of Auto Insurance Premium Written By Companies Exempt From Rate Regulation, CY86 - CY90

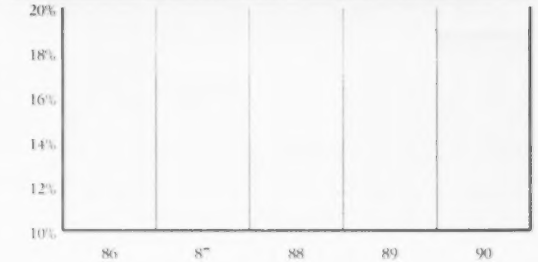


Figure I – 54

The amount of automobile insurance premium written by companies exempt from rate regulation also has been going up slightly after reaching a low point in 1988.

Five-Year Trend in Premium Written By Auto Insurance Companies With Regulated And Unregulated Rates, CY86 - CY90

Calendar Year	Written Premium in Rate-Regulated Private Passenger Auto Insurance Market	Written Premium in the Rate-Regulated Commercial Auto Insurance Market	Total Written Premium in the Regulated Auto Insurance Market	Written Premium in the Unregulated Auto Insurance Market	Percentage of Total Premium Written in Unregulated Auto Insurance Market
1986	$3,150,562,482	$979,986,475	$4,130,548,957	$ 877,277,244	18%
1987	$3,401,404,432	$860,217,008	$4,261,621,440	$ 870,794,288	17%
1988	$3,580,691,045	$891,675,193	$4,472,366,238	$ 755,309,848	14%
1989	$3,681,451,746	$910,060,431	$4,591,512,177	$ 965,986,060	17%
1990	$4,063,142,775	$838,071,148	$4,901,213,923	$1,149,879,742	19%

*Terms refer only to rate regulation or its absence by law.

Figure I – 55

Auto Insurance Premium Written By Companies In Private Passenger Market, CY86 - CY90

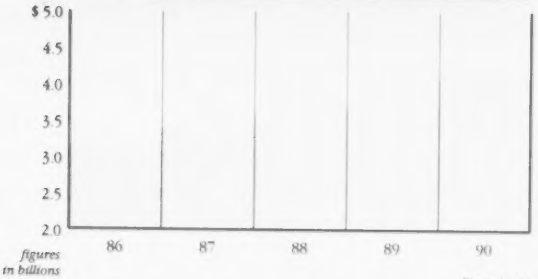


Figure I – 56

Auto Insurance Premium Written By Companies In Commercial Market, CY86 - CY90

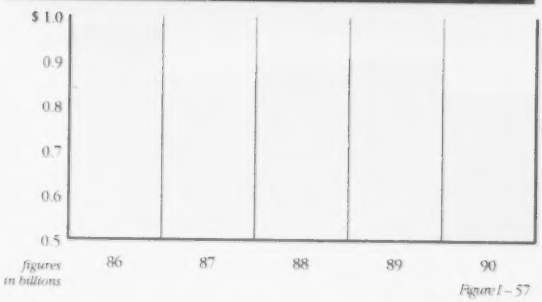


Figure I – 57

The Staff continued working with three advisory committees, industry, and legislative groups studying automobile insurance issues and activities. The advisory committee appointed to study vendor single interest policies met during Fiscal Year 1991 and produced the Lender's Collateral Protection Blanket Policy (Board Order 58369, May 29, 1991) as explained in the section of this report that discusses bonds. The Auto Section staff chaired three Board-appointed advisory committees – one to study the feasibility of deregulating auto rates and forms, another to study options for a no-fault auto insurance and a third to study issues related to garage liability insurance.

House Bill 2, *Acts of the 72nd Legislature*, the omnibus insurance reform package, made numerous changes in the laws and rules that govern automobile insurance regulation. Rules adopted by the Board before September 1, 1991, but effective on or after that date, included the following:

- Providing a two-year policy term for personal auto policies and policies assigned through the Texas Automobile Insurance Plan (TAIP);
- Prohibiting cancellation or non-renewal of an auto policy based solely on the fact the policyholder is an elected official;
- Allowing licensed Mexican casualty companies to establish their own rates and forms for auto policies issued in Texas for travel in Mexico;
- Extending anti-theft discounts to motorcycles and motorbicycles; and
- Adding a new Category V anti-theft discount regarding a "stolen vehicle recovery system".

House Bill 1583, *Acts of the 72nd Legislature*, as implemented by the Board on August 14, 1991, changed the Texas Automobile Liability Experience Rating Plan as of September 1, 1991. That plan has been amended to include a new definition of "Basic Limits Losses." It also added a provision that experience-rated risks could request the agency to recompute the policyholder's current-year experience modifier. Those changes are contained in Article 5.04-1, *Texas Insurance Code*. The experience modifier, based on a motorist's recent driving record, is used to set the premium paid.

House Bill 2, *Acts of the 72nd Legislature*, also toughened the state's mandatory automobile liability insurance laws. Texans now will be required to show proof of financial responsibility or proof of insurance before they can obtain a driver's license, renew their auto license plates or have their automobiles inspected. Although that new law did not take effect until September 1, 1991, the first day of Fiscal Year 1992, this section worked with the Texas Department of Public Safety, Texas Department of Transportation and other agency staff during the closing days of Fiscal Year 1991 to prepare the public for the change.

The Automobile Experience Rating staff and agency legal staff also developed and established a system referring insurance companies for disciplinary action when they violate the statutory requirements to file information on experience-rated risks. During Fiscal Year 1991, the Experience Rating Unit referred 244 cases to Legal Services for disciplinary action.

Bond, Burglary, Plate Glass and Miscellaneous Casualty Lines: This section helps administer statutes and Board regulations dealing with fidelity and surety bonds, financial guaranty agreements, personal and commercial crime insurance, and commercial glass insurance. The miscellaneous casualty lines administered by this section include mortgage guaranty insurance and credit insurance coverages. This section reviews and exercises supervision over the rules, rates, policy forms and endorsements used in the lines of insurance mentioned above.

The process of rate review varies depending on the line of insurance and the nature of the risk. Rates for municipal bond insurance are submitted and approved individually for each independent bond issue (Board Order 27966). Rates for mortgage guaranty insurance are not specifically approved but must be filed prior to use (Article 21.50, *Texas Insurance Code*). This section also reviews consent-to-rate applications, which are submitted by insurance companies seeking approval of individual rate charges in excess of the standard rates on specific risks. Experience ratings also are filed with, and reviewed by, the staff. Experience rating provides a discount or adds a surcharge to the standard premium on fidelity bonds, crime, and glass insurance based on the policyholder's individual experience.

This section also investigates complaints filed against companies and agents that involve the various casualty lines of insurance under its jurisdiction. During Fiscal Year 1991, 116 new complaints were received, 66 complaints were closed, and four complaints were referred to other divisions within the agency for additional review and investigation.

In Fiscal Year 1991, the Single Interest Insurance Advisory Committee completed development of a complete insurance package for lenders, the Lender's Collateral Protection Blanket Policy. The policy, which protects a lending institution from miscellaneous casualty perils associated with collateralized loans, including losses due to repossession, was approved by the Board without amendment on May 29, 1991 (Board Order 58369).

This section also reduced the microfilming and processing time (on the PRIME computer) for consent-to-rate applications awaiting indexing from 14 months to one month. The PRIME computer uses bar codes printed during the indexing process.

Summary of Activity - Bond, Burglary, Plate Glass, & Misc. Casualty Lines

	FY 90	FY 91
Rules, Rates and Policy Forms processed	100	90
Experience Ratings processed	974	1,090
"A" Rate Board Orders processed*	368	177
Consent to Rate Applications processed	3,340	3,878
General Information Requests	7,928	10,334
Hearings/Meetings+	—	205

+ Hearings/Meetings counted in hours as of FY 91.

** Two companies merged causing a dramatic drop in FY91 of "A" Rate Board Orders*

Figure I – 58

Title: The Board, as authorized by Chapter 9, Texas Insurance Code, has promulgated a comprehensive manual of rules, rates and forms for the writing of title insurance in Texas. The staff of the Title Section works extensively with other departments within the agency to facilitate early detection of title insurance company impairment and to enforce Board rules and regulations.

Field audits, funded by fees established under the *Texas Title Guaranty Act*, (Section 14, Article 9.48, *Texas Insurance Code*), are a major task of the Title Section. During Fiscal Year 1991, the examination staff completed 93 field audits of title agents throughout the state, and spent 71 percent of their total available hours in the field. The primary purpose of these field audits is to ascertain that title agents have honored their fiduciary responsibility for funds of consumers held in trust in real estate escrow accounts.

Fiscal Year 1991 was the first full year that the division had five examiners. That allowed for a 47 percent increase in the number of field audits over those performed in Fiscal Year 1990.

Summary of Activity - Title

	FY 90	FY 91
Annual Escrow Audit Review	611	552
Field Audits	64	93
Technical Examinations	53	10
New Agency Contracts	11	33
Agency Contract Revisions	285	306
Complaints	680	666
General Information Requests	24,901	28,743
Rates, Rules & Policy Forms	29	30
Board Orders	6	14
Commissioner Orders	224	308
Hearings+	—	115
Mailings/Bulletins	5,329	1,505
Licensing/Continuing Education*	—	71
Meetings+	—	625

** Not recorded separately in previous years.*

+ Hearings/Meetings counted in hours as of FY 91.

Figure I – 59

Loss Control

This division enforces Articles 5.06-4, 5.15-2, and 5.15-3, *Texas Insurance Code*, which require insurance companies to provide adequate loss control information and services to their commercial liability policyholders. The agency is required to establish safety standards and to confirm compliance by insurance companies. This division also certifies the qualifications of field safety and loss control

representatives employed by insurance companies and independent contractors who perform safety work for a fee on behalf of insurance companies. Other activities of the division include:

- Enforcing the *Amusement Ride Safety and Insurance Act*, Article 21.60, *Texas Insurance Code*;
- Coordinating and maintaining the agency's plan of action to help render state assistance in case of major emergencies, including hurricanes or other disasters; and
- Coordinating an accident prevention program for the agency.

State law requires that this division perform at least biennial evaluations of insurance companies writing specified lines of coverage to determine if they are providing adequate accident prevention services. Companies subject to this requirement include those providing the following types of insurance:

- Commercial automobile liability and professional liability for hospitals;
- Medical professional liability;
- Professional liability for policyholders other than hospitals; and
- General liability.

Concern for effectiveness of accident prevention programs requires strict evaluation criteria to ensure compliance by all commercial and professional liability carriers.

A significant change in this division occurred as a result of Senate Bill 1, *Acts of the 71st Legislature, 2nd Called Session*. As of Fiscal Year 1991, the responsibility for evaluating accident prevention activity by all insurance companies writing workers' compensation in Texas was transferred to the newly formed Texas Workers' Compensation Commission (TWCC). Also transferred to that commission was more than one-third of the division's accident prevention inspectors. The remaining staff concentrated on efforts to finish rules needed to support the loss-control requirements of Articles 5.06-4, 5.15-2 and 5.15-3, *Texas Insurance Code*. Rules were adopted and published in the *Texas Register* on October 26, 1990 (15 TexReg 6189).

During Fiscal Year 1991, the accident prevention services of more than 180 companies were evaluated by the division. Approximately 145 insurance companies received an adequate rating and 40 were judged less-than-adequate. Companies with less-than-adequate ratings are on a compliance schedule and are being closely monitored. Several companies had no accident prevention facilities or capability prior to the inspection.

The Loss Control Division also oversees insurance requirements for amusement rides in Texas. Each ride must be inspected by a qualified inspector, and operators are required to provide proof of insurance. In Fiscal Year 1991, approximately 135 carnival owners and amusement ride operators provided proof of insurance coverage, submitted injury reports, and complied with safety inspection requirements for 1,370 amusement rides. During this time, a new fad amusement, bungee jumping, also fell under review for a determination whether this form of amusement was controlled by the *Amusement Ride Safety and Insurance Act*. A decision was made shortly after the close of Fiscal Year 1991 that it does fall within the described authority of the act and operators will be required to comply with insurance and inspection requirements.

Summary of Activity - Amusement Ride Safety & Insurance Act

	FY 87	FY 88	FY 89	FY 90
Certificates/Policies	1,031	837	1,121	1,366
Injury Accident Reports	14	19	20	18
Number of Injuries	0	0	42	43

Figure I-60

Revised* Summary of Activity - Amusement Ride Safety & Insurance Act

	FY 91
Policies Reviewed	1,300* (approx.)
Policies Approved	135
Certificates Reviewed	2,049
Certificates Approved	1,370
Injury/Accident Reports	14
Number of Injuries	21

+ In FY91 activity measures changed and no longer correspond to measures in previous years.

** Policy review is accomplished based on review of certificates. Although each amusement ride must have a certificate, a number of rides and certificates may fall under one policy.*

Figure I-61

The Loss Control Division also is responsible for administering the agency's occupational health and safety program, an accident prevention program for all agency employees. In Fiscal Year 1991, a program was started to brief all new employees on safety and safety articles were written for *The Bulletin Board*, the agency's monthly employee newsletter.

WORKERS' COMPENSATION

During Fiscal Year 1991, workers' compensation continued to be a primary focus of the agency, as the Board dealt with problems of availability and affordability. As a result of Senate Bill 1, *Acts of the 71st Legislature, 2nd Called Session*, workers' compensation rates were frozen on January 1, 1991. Senate Bill 1 is a comprehensive reform bill designed to reduce rates by containing medical costs, cutting benefits, reducing attorney involvement and encouraging on-the-job safety.

Several indicators suggested during the fiscal year that Senate Bill 1 was, in fact, beginning to reduce workers' compensation losses. Despite the apparent progress, problems arose in the pricing of workers' compensation. On April 1, 1991, the Commissioner issued a directive advising all licensed workers' compensation carriers that certain companies were circumventing rating provisions of the *Texas Insurance Code*, agency regulations and Board orders. That circumvention, the Commissioner said, was in the area of premium rates and premium calculations for workers' compensation insurance and services that already are required of insurance companies. The activities included, but were not limited to, practices that resulted in policyholders:

- Paying surcharges or other fees or charges not derived from an authorized rate or rating methodology.
- Purchasing excess liability insurance coverage at inflated rates in addition to workers' compensation coverage.
- Buying foreign coverage through endorsements to the standard workers' compensation policy.
- Contracting for "executive services" or other services that should be provided within normal workers' compensation coverage.
- Being charged additional premium on policies written on a retrospectively rated basis to recover some or all of their residual market assessment for writing that policy.

The Commissioner's directive instructed insurance companies, affiliates or other persons to cease engaging in such activities. Insurance companies also were surveyed about the problem, with more than 40 pages of responses compiled for the Commissioner by the Workers' Compensation Division. No general conclusions have been drawn from the survey, but those responses showing possible violations are being pursued by the staff of Investigations and Legal Services.

To address the problem of availability and affordability of workers' compensation insurance, the Board also adopted emergency rules authorizing companies to recover a portion of their residual market assessments by means of a pass-through on policies written on a retrospectively rated basis. The percentage of the pass-through charge to a policyholder is determined by the Board. That percentage is set to ensure that the insurance company can recover only the amount of residual market assessment that results from writing that individual policy.

The rules also provide for a large-risk rating option. That option permits a policyholder and an insurance company to negotiate the residual market factor to be charged, with the understanding that the negotiated factor cannot exceed the actual factor determined by the Board.

Management

Management worked with staff during Fiscal Year 1991 to ensure that rules carrying out the provisions of Senate Bill 1, *Acts of the 71st Legislature, 2nd Called Session*, were in place when the law went into effect January 1, 1991. Most of the rules were written with the help of ad hoc committees of representatives from affected businesses, employees, and insurance companies, as well as agency staff. By working through these committees, a number of potential problems were resolved in the drafting of the rules. Another ad hoc committee has been involved in developing the three promulgated deductible plans as required by Senate Bill 1, *Acts of the 71st Legislature, 2nd Called Session*. Those proposals must be presented to the Board before January 1, 1992.

The process of educating the public also continued in Fiscal Year 1991, with the division's management speaking to consumer groups, insurance agents, and insurance company personnel about how the workers' compensation changes would affect them. In addition, 17 workers' compensation letters describing rules adopted by the Board were sent to insurance companies and members of the public who subscribe to the publication.

Management devoted time to overseeing operation of the Small Premium Policy Plan, a feature of the reform legislation that took effect January 1, 1991. The number of Board orders prepared by the activity also increased by 61 percent in Fiscal Year 1991, with many pertaining to that new plan and to designated insurance companies writing policies for it.

Management also worked with legislative committees in drafting legislation aimed at stopping abuses in the employee leasing industry. Although that legislation failed, the activity filed a petition with the Board for a rule change pertaining to employee leasing firms. The rule (adopted in early Fiscal Year 1992) requires that coverage provided for leased workers must be provided using a standard workers' compensation policy issued in the name of the client company. The client company is required to maintain and make available to the insurance company all records needed for the determination of classifications and payrolls applicable to the policy

Summary of Activity - Workers' Compensation Management

	FY 90	FY 91
Interpretations & Rulings	11,347	12,174
Office Visits	166	247
Complaints	253	215
Board Hearings/Meetings	20	30
Board Orders	44	71
Outside Meetings Attended	23	42

Figure 1 – 62

Rate Modification -Policy Review

This section is responsible for reviewing workers' compensation policies issued to employers to make sure the policy has the correct endorsements attached with appropriate classifications and corresponding rates. Since it is not possible to review all policies filed, the section concentrates on reviewing files of new risks; businesses that have changed ownership, are scheduled to be experience rated or are about to change the named policyholder; and businesses purchasing coverage through the Texas Workers' Compensation Insurance Facility. In Fiscal Year 1991, the section reviewed 87,066 files.

The agency continues to work on acceptance of a state-of-the-art image processing system that will allow this section to be more selective in targeting files for review. Through random sampling, technicians will be able to monitor the accuracy of policies issued by each insurance company writing workers' compensation. Review by random sampling has not been possible in the past due to the number of files involved and the lack of automation. The electronic database created by the image processing system will provide necessary information for an automated policy review function.

Number of Workers' Compensation Policies Reviewed

1987	90,642
1988	105,768
1989	110,879
1990	108,145
1991	87,066

Figure I - 63

Rate Modification- Experience Rating

This section is responsible for promulgating experience rating modifiers for policyholders that have sufficient premium to qualify. To obtain an experience rating modifier, an employer's actual workers' compensation loss experience over a given period of time is compared with the average experience expected for all employers within the same class. Employers with better-than-average loss records receive a credit, which reduces their overall premium costs. Employers with worse-than-average loss records experience a premium increase with a debit modifier. Of the 47,626 ratings calculated in Fiscal Year 1991, 35 percent resulted in debit modifiers and 65 percent resulted in credit modifiers.

Summary of Activity - Workers' Compensation Rate Modification

	FY 90	FY 91
Ratings	50,050	47,626
Rate Cards	30,152	34,739
Letters of Authority	32,284	40,350
Requests for Unit Statistical Cards	2,941	5,945
Data and Invoices	29,924	25,564
Letters Written	1,875	2,085
Telephone Calls	61,763	64,082
Visitors	1,464	1,561
Re-Rates	1,701	1,952
Non-Qualifying Rates	3,065	7,622
Letters to Legal	528	1,052

Figure I - 64

Classification

To obtain workers' compensation insurance, each business and its operations must be reviewed and assigned one of approximately 650 classifications. The classification given a company is important since it directly affects the cost of the insurance. Many factors are considered when determining a classification, including the type of work performed and the hazards involved. The Classification Section is responsible for determining and assigning classifications to businesses. Reviews may be conducted by telephone, through written correspondence, or by making field inspections. Information needed to determine the proper classification may be provided by the policyholder, the agent, or the insurance company.

During Fiscal Year 1991, the Classification Section spent many hours working with the San Antonio office of Tillinghast on a study of the classification system as mandated by Senate Bill 1. The study, *Senate Bill 1 - 1990 Cost Analysis*, was completed in December 1990, and the report was submitted to the Legislative Oversight Committee prior to January 15, 1991.

Summary of Activity - Workers' Compensation Classification Office

	FY 90	FY 91
Files Audited	667	2,296
Number of Plan Inspections	1,054	1,063
Number of Days Traveled	315	325
Total Miles Traveled	54,913	58,587
Average Travel Cost Per Inspection	$26.70	$31.64
Interpretations & Rulings	41,913	40,674
Office Visitors	178	180
Types of Inspections Made:		
Insured Requests	154	152
Insurer Requests	175	168
Agent Requests	265	209
Department Requests	380	466
New Risks	80	68

Figure I - 65

File Section

More than 160,000 workers' compensation files are maintained by this section. Though this number may seem high, it represents a marked decrease from the 310,000 files previously maintained. The two primary reasons for the decrease are: (1) policies with less than $1,500 annual premium are no longer filed with the Board and (2) employers are electing to become non-subscribers to the workers' compensation system. The reduced number of files has made it possible to improve maintenance of the remaining files. In addition, the on-line capability to update records continues to improve the accuracy of the system.

Summary Of Activity - Workers' Compensation Files

	FY 90	FY 91
New Files Created	28,162	14,182
Files Worked in Reduction	75,247	111,376
Files Destroyed	10,963	15,797
Incoming Mail	797,588	845,222
Inter-State Rating Forms Received	27,198	37,940
Computer Transactions		
Records Deleted	51,104	52,574
Records Added	55,581	44,153
Records Updated	20,537	19,810

Figure I - 66

Market Assistance Program

This section was created January 1, 1991, as mandated by Senate Bill 1, *Acts of the 71st Legislature, 2nd Called Session*, and will be transferring to the Texas Workers' Compensation Insurance Facility as a result of House Bill 62, *Acts of the 72nd Legislature, 2nd Called Session*. The Market Assistance Program (MAP) was created to reduce the number of risks insured by the Employers Rejected Risk Fund of the Texas Workers' Compensation Insurance Facility by attempting to find alternative coverage in the voluntary market. Because the MAP was established as a voluntary program and few policies are written in the voluntary market, this section has been successful in finding coverage in the voluntary market for only five of the 555 submissions received by the MAP.

Summary of Activity - Market Assistance Program

	FY 91
MAP Submissions	555
Accepted by Carrier	5
No. Participating Carriers	14
Telephone Calls	4,866
Letters Written	1,797

Figure I - 67

INSURANCE-RELATED ACTIVITIES

Insurance-Related Activities, which will be moved to the Life Group Activity, oversees the regulation of a diverse group of licensees, including health maintenance organizations, premium finance companies, continuing care retirement communities, and prepaid legal services corporations. Because of the unique nature of each of these organizations, specialists within the section perform a wide range of tasks.

Health Maintenance Organizations

Regulation of health maintenance organizations (HMOs) is different from other areas of the agency's regulation of insurance because HMOs are regulated by both federal and state government. While federal regulation applies to any federally certified HMO, state regulation applies to any HMO doing business in Texas.

Technicians review and analyze thousands of filings each year. Those include new and revised evidence-of-coverage forms; rate filings; provider contracts; management contracts; organizational documents, such as bylaws and articles of incorporation; purchase, construction and lease agreements; bonds; reinsurance contracts; marketing plans; complaint procedures; quality assurance and utilization review mechanisms; and changes in ownership and control. Although financial filings for HMOs now are coordinated with examiners in the Financial Analysis Activity, the HMO Division provides some financial oversight of HMOs.

The division also processes and reviews documents for new HMOs seeking certificates of authority as well as applications for service area expansion. During Fiscal Year 1991, one application for admission and three applications for service area expansions were processed.

As of August 31, 1991, Texas had 45 licensed HMOs and HMO Divisions (33 basic service and 12 single service), with approximately 2.1 million members. This compares with 1990's 47 HMOs with 1.9 million enrollees. One basic service HMO is in receivership and one basic service HMO is under conservatorship.

The steady decline in the number of licensed full-service HMOs since 1987 is due to the voluntary dissolution of several licensed HMOs and to mergers and acquisitions of existing HMOs.

The agency's HMO Division works closely with the HMO Solvency Surveillance Committee (Article 20A.36, *Texas Insurance Code*), which assists the Commissioner in detection and prevention of HMO insolvencies.

Ten-Year Statistical Overview of HMO Industry In Texas

As of FY:	Approximate Number of Members	Number of Full Service HMOs*	Number of Single Service HMOs*
1982	170,100	9	-
1983	272,446	13	-
1984	392,800	14	-
1985	564,430	24	-
1986	780,598	34	1
1987	1,043,823	43	4
1988	1,300,000	41	8
1989	1,626,099	40	10
1990	1,915,690	37	10
1991	2,037,128	33	12

* *Combines certificates of authority and divisions*

Figure I – 68

Ten-Year Overview Of HMO Membership In Texas

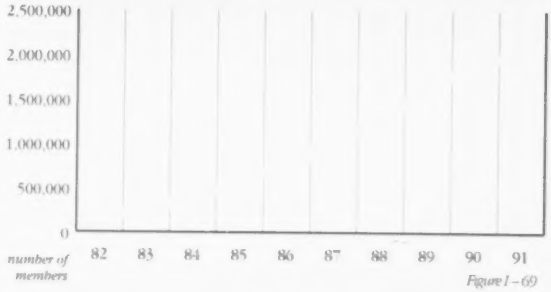


Figure I – 69

Summary of Activity - Health Maintenance Organizations (HMOs)

	FY 90	FY 91
Applications Processed	4	1
Service Area Expansion	9	3
New Forms Received	5,516	5,168
Forms Completed	5,824	4,103
Telephone Calls	9,091	7,276

Figure I – 70

Prepaid Legal

Prepaid Legal Services Corporations (PPLs) are similar to HMOs because they provide legal benefits as the need arises in exchange for prepayment by enrollees. Many of the regulatory procedures and processes are similar to those that apply to HMOs, but distinctions exist. Unlike HMOs, rates for all PPLs must be approved or disapproved by the Board. The PPL Division also reviews all policy forms, coordinates PPL-related activity within the agency, and handles consumer questions about PPLs.

One non-profit legal services corporation and 34 insurance companies are approved to sell prepaid legal plans. Based upon results of hearings in Fiscal Years 1989 and 1990, staff review of loss experience and staff recommendations, the Board required three insurance companies to reduce premiums to levels more than 30 percent below what consumers in other states pay for the same products from those companies. Staff confirmed in Fiscal Year 1991 that all Texas customers of the three companies were paying the lower premiums. Consumers in other states pay $81 a year, or $6.75 a month, for the prepaid legal plans, while Texans pay $48 a year, or $4 a month. Although prepaid legal is a relatively small part of the insurance business, the reduction in premiums is estimated to have saved Texas customers of the three plans a total of more than $2 million in Fiscal Year 1991.

Summary of Activity - Prepaid Legal Services Corporations (PPLs)

	FY 90	FY 91
Forms Received	17	23
Forms Completed	18	23
Telephone Calls	422	277
Board Hearings	14	0

Figure I - 71

Continuing Care Retirement Communities

Continuing Care Retirement Communities (CCRCs) were first required to be licensed in Texas in 1987 following passage of the *Texas Continuing Care Facility Disclosure and Rehabilitation Act* now codified as Chapter 246 of the *Health and Safety Code*. CCRCs operate facilities that enter into contractual agreements to provide lodging and health-related services to elderly residents. The agreements require payment of an entrance fee as full or partial consideration for acceptance as a resident. Entrance fees currently range from approximately $10,000 to $200,000.

The terminology "continuing care facility" is used loosely within the industry, and although a facility may provide a variety of services, only those facilities that meet specific criteria are subject to regulation. As of August 31, 1991, there are 17 licensed facilities, each licensed under the grandfather provision of Chapter 246 of the *Health and Safety Code*.

An application for a certificate of authority for a new facility that would not qualify under the grandfather provision has been filed and is presently under review. It is the first application filed for a new facility since the law went into effect.

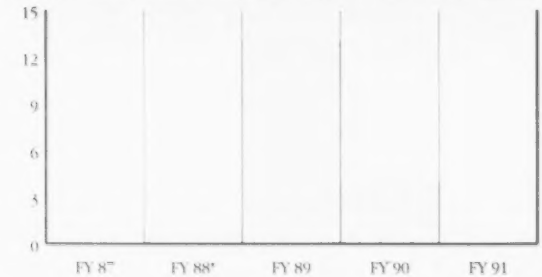
CCRCs are required to file a disclosure statement annually. Additional statements, however, may be filed if, in the opinion of the provider, the revision is necessary to correct an omission or a material misstatement of fact.

Summary of Activity - Continuing Care Retirement Communities (CCRCs)

	FY 90	FY 91
Applications Reviewed	6	0
Licenses Issued	4	0
Actuarial Reviews Filed	7	1
Disclosure Statements Filed	17	33
Telephone Inquiries	400	248

Figure I - 72

New Continuing Care Retirement Communities Licensed, FY87 - FY 91



*Emergency rules governing the licensing of Continuing Care Retirement Communities were first adopted in FY 88.

Figure I - 73

Premium Finance

Premium finance companies licensed under provisions of Chapter 24, *Texas Insurance Code*, include independent finance companies, insurance agents, insurance companies and other financial institutions such as banks and savings and loans. It is the responsibility of the Premium Finance Division to license, examine, investigate and regulate the 433 premium finance companies licensed in Texas. In Calendar Year 1990, the premium finance industry made 518,243 loans totaling $1.27 billion to finance insurance premiums. This compares with 544,460 totaling $1.12 billion in Calendar Year 1989.

Summary of Activity - Premium Finance

	FY 90	FY 91
New Licenses Issued	31	32
Licenses Renewed	431	401
Examinations Completed	62	64
Annual Reports Analyzed	431	410
Complaints Investigated	149	136

Figure I – 74

Growth Of Financed Premiums In Texas, CY88 - CY90*

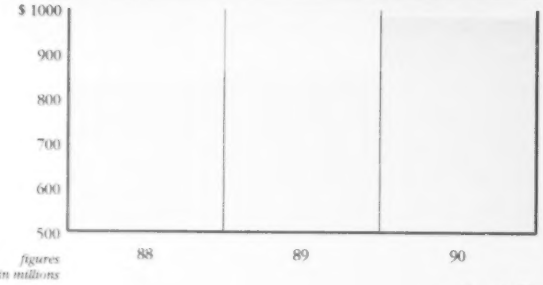


Figure I – 75

**Amount financed equals about 70% of insurance premiums*

Number Of Premium Finance Companies, Loans, & Their Value, CY 88 - CY 90

Calendar Year	Number of Companies	Number of Premium Loans	Value of Loans
1988	437	521,668	$ 1.1 billion
1989	422	544,460	$ 1.12 billion
1990	431	518,243	$ 1.27 billion

Figure I – 76

License & Investigations

In the agency's Fiscal Year 1991 reorganization, company and agent licensing duties were transferred from Regulated Lines and combined with Unauthorized Insurance and Investigations to form a new program called License and Investigations. As a result, a single agency program licenses companies and agents, investigates complaints against them and seeks appropriate disciplinary action when violations are detected.

LICENSING GROUP

The responsibilities of the Licensing Group Activity include managing most of the licenses and certificates of authority subject to the jurisdiction of the Commissioner of Insurance. During Fiscal Year 1991, several responsibilities previously within the activity were reassigned to other areas of the agency. These reassignments included the transfer of:

- Program attorneys and their support staff to Legal Services.
- Systems analysts to Information Resources Management.
- The Insurance-Related Activities Section, to a separate activity under the Regulated Lines Program.
- The Surplus and Excess Lines Section, to a separate activity of the Finance Program.
- Licensing of title insurance agents and escrow officers to the Title Section of the Casualty Division under the Regulated Lines Program.

Additionally, the Activity Development Section was dissolved, with its staff distributed within the Licensing Group. The result of these changes has left the Licensing Group more focused on its direct licensing functions. The two remaining operational divisions of this activity are Agents License and Company License.

Company License Section issues certificates of authority to foreign and domestic insurance companies and to third-party administrators (TPAs), and conducts field reviews of TPA operations. The division also will be responsible for licensing joint underwriter associations (JUAs), under terms of House Bill 2, *Acts of the 72nd Legislature*.

Agents License Section licenses 12 types of insurance agents, as well as life insurance counselors, risk managers and adjusters. The section also approves and audits continuing education courses for agents and adjusters. Additionally, the section will license reinsurance intermediaries and utilization review agents, under provisions of House Bill 2 that take effect in 1992.

Title and Escrow agents now are licensed by the Title Section in Regulated Lines.

The goal of the Licensing Group Activity is to achieve consistent administration of licensing functions, combined with efficiency and effectiveness in determining whether a given entity is eligible to engage in certain regulated insurance activities.

Agents License

The Agents License Section primarily is responsible for reviewing and processing license applications for issuance and renewal; approving and canceling company appointments of agents; reviewing, approving and auditing agents' and adjusters' continuing education and other training programs; and producing certificates of license status.

This section was reorganized effective July 1, 1991, according to the types of filings and other transactions to be processed. Each unit of the section, as before, reports directly to the Deputy Commissioner for the Licensing Group. The new organization already has demonstrated an ability to apply resources more efficiently, resulting in the timely processing of 5,000 to 7,000 original and resubmitted filings per week, with 90 percent or more processed within two weeks of receipt. The section's goal is to process all filings within two weeks or less of receipt. Agents' license testing by an outside contractor also continued to improve in Fiscal Year 1991. The testing service

was more accessible and provided better quality examinations that were scored much more quickly.

Consulting contracts to help streamline the section's functions already have begun to pay off. They are expected to result in simplified forms and easier processing, a reduction in paperwork, elimination of unproductive activities, and an increased reliance on private vendors when this is found to be cost-effective.

Administration of the mandatory continuing education requirement for life, accident and health insurance agents; property and casualty agents; solicitors; managing general agents; title insurance agents; escrow officers; and adjusters continued as a major effort of the Agents License Section during Fiscal Year 1991. Field audits are the primary way to monitor compliance with program requirements.

The section also made significant progress in adding all license records into the computerized Agents License Master System. By the end of the fiscal year, all were on the system except for adjusters (for which an automated conversion was nearing readiness) and for about 30 percent of the managing general agents. A prototype combined renewal application form already has been developed. Upon addition of remaining licenses and modification of supporting programs, the section can implement the long-anticipated single-license/single-renewal concept, now expected to be ready around the beginning of Calendar Year 1992.

That concept will allow an agent with multiple licenses to renew all of them on a common date. The agent also would have a single license certificate instead of one for each license. That alone could reduce the division's paperwork by one-third.

The Agents License Section also plans to provide a computerized "operator" or "automated attendant" on certain high-demand telephone numbers, including the general information number for Agents License. This system will offer a caller options for immediate transfer to the appropriate staff within the section and provide a "menu" of recorded messages to general inquiries. Additionally, the new system's ability to permit telephone modem access to browse the computer records of the Agents License Master System is virtually complete. Both of these facilities are expected to be implemented by the end of Calendar Year 1991. The combined effect of the two systems should allow the section to handle the current average of 1,200-plus calls a day more efficiently while freeing personnel for other tasks.

Number of Licensees & Certificate Holders Under Jurisdiction of the Commissioner

License Type	FY 89	FY 90	FY 91
Agents*	247,676	233,228	181,349
Adjusters	23,931	29,763	25,237
Insurance Companies**	2,238	2,203	2,187
Health Maintenance Organizations***	37	34	37
Life Counselors	85	83	82
Risk Managers	485	616	735
Premium Finance Companies	422	431	433
Continuing Care Retirement Communities	14	17	17
Third-Party Administrators	55	197	291

* *Individuals may hold multiple licenses of various types.*

** *Includes Exempt Associations, Domestic Risk Retention Groups, and Non-Profit Legal Services Corporations.*

*** *Certificate of Authority only. Excludes divisions.*

Figure I – 77

Five-Year Summary of Agents License Statistics

	FY 87	FY 88	FY 89	FY 90	FY 91
Total Licenses					
Issued	46,898	47,836	40,734	31,041	34,214
Renewed	53,621	85,066	56,562	83,824	53,799
Cancelled	28,993	49,735	34,268	40,418	40,321
Total Additional Appointments Processed	142,966	162,736	159,148	204,357	159,992
Total Current Licenses (Agents and Adjusters)	266,149	264,815	272,177	263,690	207,403
Total Examinations*	31,237	36,469	33,011	19,366	18,471

* *FY90 and FY91 dropoff in Total Examinations due, in part, to switch to outside testing firm.*

Figure I – 78

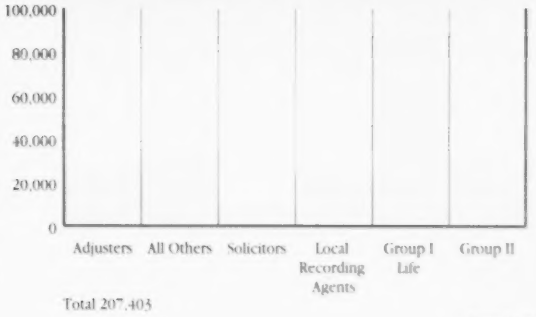
Number and Type of Agents FY90 - FY91

	FY 90	FY 91
Agents*		
Group I Life	100,862	88,417
Group II Life	29,030	26,896
Variable Annuity	12,159	12,532
Variable Life	484	367
Local Recording	45,785	23,308
Solicitor	9,080	8,819
Non-Resident Fire/Casualty	8,782	4,417
Managing General	924	812
State/Salary/Special	10,428	4,401
Title	1,619	1,345
Escrow Officers	4,677	3,637
Direct Operations	4	6
Surplus Lines	557	414
Pre-Paid Legal	6,951	4,013
HMO	1,886	1,965
Total	233,228	181,349

** Individuals may hold multiple licenses of various types.*

Figure I - 79

License Division
Total Active Agents and Adjusters Licenses As Of 8-31-91



Total 207,403

Figure I - 80

Company License

This section is responsible for licensing domestic insurance companies and serves as the official custodian of the corporate records of insurance companies that do business in Texas. As such, it is responsible for collecting and maintaining biographical information on the principal individuals of all domestic and foreign insurance companies. The section's routine responsibilities include processing of incorporations, amendments to corporate charters, mergers, withdrawals, dissolutions, and other corporate actions and related licensing activities as they apply to the 20 different types of insurance companies authorized under Texas law.

The Company License Section also acts on behalf of the Commissioner in receiving service of process upon those companies for whom the Commissioner is, by law, the agent for service. In addition, the Securities Custodian administers the statutory deposits required to be maintained by licensed companies and corporate agencies for the protection of policyholders and creditors. The amount of cash and securities deposited with the State Treasurer for Fiscal Year 1991 was $298 million. The funds held in various banks under joint control with the Commissioner of Insurance in Fiscal Year 1991 was more than $42 million.

In addition, the section is responsible for answering letters and telephone inquiries from the public concerning insurance companies licensed in Texas. Through publications and press releases issued by the agency, consumers are encouraged to check the licensing status of insurance companies. To make this information more widely available, the Company License Master Information System (a data base residing on the agency's mainframe computer) is updated daily with any changes and is available to the entire agency for online inquiry. The system allows the agency to store and retrieve descriptions and historical details for every company that has been licensed to conduct business in the State of Texas, thus improving the agency's ability to respond to public inquiries.

The Third-Party Administrators Unit, a part of Company License, is responsible for the licensing and regulation of third-party administrators. TPAs serve primarily as benefit administrators who contract with insurance companies or self-insurance plans to handle

many of the administrative functions (such as claims processing and premium collection) of pension, disability, health and other employee benefit arrangements. The regulations governing third-party administrators require on-site examinations of licensed TPAs to verify compliance with the *Texas Insurance Code* and Board rules.

INVESTIGATIONS

In Fiscal Year 1991, the Investigations Activity, with 15 investigators, financial analysts and support personnel, was charged with investigating alleged violations of the *Texas Insurance Code* and assisting the Legal Services Program and Unauthorized Insurance Activity. In addition, the activity coordinated contacts with law enforcement agencies concerning criminal activities discovered by agency staff and responded to requests from law enforcement agencies for information.

The staff also conducted inquiries into matters raised by complaints to the agency or identified by agency staff through their regulatory duties. Most cases involving individual complaints were assigned to investigators who were responsible for interviewing victims and other witnesses and for securing documentary evidence. Response teams of two to five investigators were assigned in certain cases involving major fraudulent activity.

Once an investigation was complete, the investigator drafted a report. If the evidence supported a conclusion that a violation had occurred, the case file and evidence were referred to Legal Services for disciplinary action. When an investigator ascertained that criminal activity had occurred, the case also was referred to the appropriate law enforcement agency, usually a district attorney, for prosecution. Investigators were required to testify in administrative hearings and in court whenever necessary. Frequently, investigators were able to secure refunds and restitution for consumers as part of the investigative process.

The activity also conveyed information obtained in investigations of activities that could adversely affect the condition of a company to the Early Warning Information System and to the Associate Commissioner for License and Investigations.

During Fiscal Year 1991, the Investigations Activity was responsible for drafting a portion of House Bill 2, *Acts of the 72nd Legislature*. That includes a new Article 1.10D, *Texas Insurance Code*, which creates a Fraud Unit. The Fraud Unit will be responsible for investigating potential criminal cases involving fraudulent insurance transactions. The Activity also drafted revisions to Article 1.19-1, *Texas Insurance Code*, which strengthen the agency's subpoena power and ability to obtain evidence during investigations. In addition, the activity drafted Article 21.79E, *Texas Insurance Code*, Illegal Pricing Practices, which provides for criminal penalties when a person charges two different prices for goods or services and the higher price is charged to those who have insurance.

SUMMARY OF ACTIVITY - INVESTIGATIONS

	FY 90	FY 91
Cases Received	946	1,426
Disciplinary Cases To Legal	222	213
Cases Closed	500	693
Referrals to District Attorneys	128	164

Figure I – 81

UNAUTHORIZED INSURANCE

The Unauthorized Insurance Activity reviews, evaluates and investigates complaints and reports of possible violations of Article 1.14-1, *Texas Insurance Code*, commonly known as the Unauthorized Insurance Statute. This statute prohibits unlicensed insurance entities from conducting business in Texas, subject only to those exemptions provided by state and federal law.

Enforcement of Article 1.14-1 protects the public from being victimized by illegal entities, enhances state revenues through collection of premium taxes and protects legitimate insurance companies from unfair and unregulated competition.

The Unauthorized Insurance Activity coordinates efforts to identify and take appropriate measures against those entities and individuals conducting illegal insurance businesses.

After investigation, the division recommends necessary actions to the Commissioner of Insurance, which may include:

- Referral of cases to the Attorney General for injunctive relief and/or receivership;
- Referral to the agency's Legal Services Program for issuance of cease-and-desist orders or other administrative action.
- Referral to appropriate law enforcement agencies for criminal prosecution.

Due to the complexity of the laws under which entities can claim exemption from state regulation, the division has two investigation sections: Health Benefit and Property and Casualty.

Health Benefit Division investigates multiple employer welfare arrangements (MEWAs) claiming exemption under the federal Employee Retirement Income Security Act of 1974 (ERISA), health maintenance organization-type activities, and other entities offering health benefits. Property and Casualty Division investigates unauthorized extended warranties, auto coverage, unregistered purchasing groups, unlicensed workers' compensation, illegal bonding entities, unlicensed agents and similar types of activities.

After investigation the staff makes a "determination" on the disposition of each case which concludes an investigation. Outcomes of an investigation may include closure because the:

- Insurance plan was able to demonstrate exemption from regulation.
- Plan ceased operating prior to the investigation or voluntarily ceased operating in Texas after agency intervention.
- Matter was referred to appropriate law enforcement agency for action.
- Matter was referred to appropriate section of the agency for disciplinary action if licensees were determined to be involved.
- Case was closed due to insufficient evidence.

During Fiscal Year 1991, there were 458 case determinations, a significant increase over the 377 determinations in Fiscal Year 1990. Due to the increasing workload in the Unauthorized Insurance Activity, cases were reviewed and prioritized on the basis of actual and potential harm to the public, premium tax obligation, past activities of the perpetrators, potential for asset recovery or preservation, most efficient utilization of resources, possible involvement of licensees, and the need for publicizing particular types of activities to enhance public awareness.

During Fiscal Year 1991, cases were referred as follows:

- Twenty-four cases to the Attorney General, compared to 20 in Fiscal Year 1990. Final judgments in cases concluded in Fiscal Year 1991 resulted in approximately $2.4 million in benefits and/or return premiums to Texas consumers. When referring cases to the Attorney General, Unauthorized Insurance provides investigative reports, exhibits, witness statements and testimony, and significant preparation for court. As more cases enter the litigation process, the amount of time and other resources spent by the Unauthorized Insurance Activity on litigation support activities increases dramatically.
- Seventeen cases to the Travis County District Attorney's Office. Even when shut down with civil penalties, unauthorized players tend to surface with new unauthorized insurance schemes. Consequently, criminal prosecution is deemed an essential element of any effective enforcement strategy. The Unauthorized Insurance Activity works closely with the Travis County District Attorney's Office, as well as other law enforcement agencies on the state, local and federal level, to seek indictment and conviction of particularly egregious offenders.
- Eighteen cases to the Legal Services Division, with the recommendation that the Commissioner issue a cease-and-desist order. In addition to whatever effect the order may have on the operators of unauthorized insurance activities, such orders also serve to alert and educate the public about such activities.

The Unauthorized Insurance Activity also devoted time to working with other agencies and governmental bodies to enhance enforcement activities and minimize future harm to the public through early identification of and action against unauthorized entities. During Fiscal Year 1991, the Unauthorized Insurance Division worked closely with the Travis County District Attorney, Internal Revenue Service, Federal Bureau of Investigation and the Office of Inspector General of the U.S. Department of Labor, in the investigation of specific cases and in the formulation of procedures and policies to assist in the prosecution of future cases.

Assisting consumers in the resolution of their complaints against unauthorized insurance companies is another duty. This may entail working with third-party administrators or other entities in the investigation and settlement of claims covered by exempt plans, such as single-employer ERISA arrangements.

In addition, the division promotes public education and awareness. It is not easy for the public to determine the legality of "insurance" or "insurance-appearing" purchases. The division worked closely in Fiscal Year 1991 with the Public Information Office to publicize actions taken to alert the public about areas of high exposure through press releases and a public service announcement, and to develop public information brochures and publications. Staff also made public presentations to several industry and consumer groups regarding technical aspects of insurance regulation and general consumer awareness topics.

Assessed in Judgments Against Unauthorized Operations

	FY 90	FY 91
Civil Penalties	$4,273,500	$9,349,870
Premium Tax Liabilities	88,232	271,150
Miscellaneous Liabilities	1,057,495	1,219,756
Direct Restitution to Texas Consumers	640,000	2,437,210

Figure I – 82

Summary of Activity - Unauthorized Insurance

	FY 90	FY 91
Cases Referred to A.G. for Injunctive Relief	20	24
Cases Concluded ("Determination")	377	458
Sites Visits and Examinations	405	384
Public Inquiries/Complaints	5,319	5,748

Figure I – 83

Finance

The continued concern over insurance company insolvencies in Fiscal Year 1991 acted as a catalyst for change within the agency. The Finance Program, charged with monitoring solvency, and business affairs of insurance companies transacting business in the state, was reshaped during the year with the addition of new program activities and job requirements. Conservation of Companies and Surplus Lines were added to the program in March.

The restructured Finance Program consists of seven activities: Examinations, Holding Company, Financial Analysis, Actuarial, Reinsurance, Conservation of Companies, and Surplus Lines.

This structure was established at mid-year to consolidate all of the agency's solvency monitoring activities under one program. Of particular importance is the elimination of management reporting levels, allowing the program's Associate Commissioner to act expeditiously in presenting vital information to the Commissioner on company solvency issues.

EXAMINATIONS

Examinations consists of two divisions - Financial Examinations and Market Conduct Examinations. The Market Conduct Examinations Division was transferred to the Examinations Activity from Consumer Services to consolidate all examination functions of the agency. The Market Conduct Examinations Division examines policyholder treatment, while the Financial Examinations Division concentrates on a company's financial matters.

The Chief Examiner supervises this work. Other personnel include an assistant chief examiner, four field assistant chief examiners, a field property and casualty actuary, approximately 80 field examiners, another nine involved in Market Conduct work, and 14 support personnel. Of those in examiner positions, 54 have been accredited or certified by the Society of Financial Examiners. Field examiners are headquartered in Dallas, Houston and San Antonio and work under the supervision of the field assistant chief examiners.

Financial Examinations

This division is responsible mainly for performing the financial examinations required by Articles 1.15 and 1.17, *Texas Insurance Code*. It also maintains and reviews annual audit reports by certified public accountants in accordance with Article 1.15A, *Texas Insurance Code*.

Financial examination is necessary to determine the financial condition of corporations, firms, and persons writing insurance of any kind, including their ability to meet all of their obligations and to comply with applicable laws and rules. The results of each examination are analyzed and recommendations are made for appropriate regulatory action where necessary. The division also is involved in developing and defining statutory insurance accounting principles and procedures.

House Bill 2, *Acts of the 72nd Legislature*, will add new responsibilities in Fiscal Year 1992, including the examination of managing general agents, reinsurance intermediaries and Mexican casualty companies. It also increased the number of companies required to have annual audits performed by certified public accountants.

During Fiscal Year 1991, examination guidelines were revised to increase emphasis on detection of fraudulent activities within the insurance industry and to accelerate the flow of information on troubled companies to the Commissioner. Also, emphasis was placed on the use of targeted examinations to increase the number of companies visited. A target examination focuses on specific areas of interest or concern, instead of the full audit approach of regular examinations. It results in faster regulatory action. In addition, improved procedures for scheduling and planning examinations were put into place. The number of examinations in Fiscal Year 1991 increased by 10 percent from the number conducted in Fiscal Year 1990.

Market Conduct Examinations

This division is charged with determining how insurance companies deal with their policyholders and prospective customers. Texas is among a handful of states that conduct examinations of insurance companies' claims and advertising files to determine how policyholders and sales prospects are treated and to see how willing the companies are to resolve consumers' problems fairly.

This division became a part of Examinations on March 11, 1991, and is now under the supervision of the Chief Examiner.

During Fiscal Year 1991, market conduct examiners reviewed licensing and appointment of agents; studied policy forms and filings; investigated underwriting, rating and claims practices; and checked policyholder complaints and inquiries of 74 companies.

That work led to the recovery of $775,502 in additional premium refunds or claim payments for consumers during the fiscal year. (Although this is a decrease from the previous year, the large premium refund total of Fiscal Year 1990 was unusual, with most of the $6.8 million attributable to one major settlement.)

Summary of Activity - Financial Examinations

	FY 90	FY 91
Financial Examinations Completed	241	271
CPA Audit Reports Reviewed	1,484	1,973

Figure I – 84

Summary of Division - Market Conduct Examinations

	FY 90	FY 91
Examinations Completed	70	74
Additional Recoveries for Consumers	$6,773,311	$775,502

Figure I – 85

HOLDING COMPANY

This activity is responsible for administration of the *Insurance Holding Company System Regulatory Act* (Article 21.49-1, *Texas Insurance Code*). In this capacity, the activity maintains and reviews registration statements of controlled insurance companies; examines transactions between insurance companies and their affiliates; reviews mergers, acquisitions and changes of control; and reviews the valuation of investments in non-insurance subsidiaries and affiliates.

As a result of statutes enacted by the 72nd Legislature, the activity's regulatory authority will be expanded in Fiscal Year 1992 to include farm mutual insurance companies; attorneys-in-fact for Lloyd's, reciprocal exchanges and interinsurance exchanges; and control through family relationships. The new legislation also requires the reporting of certain transactions or relationships that were not previously subject to reporting, thereby increasing regulatory oversight. Additional sanctions also are provided which should enhance compliance efforts.

Summary of Activity - Holding Company

	FY 90	FY 91
Registration Statements	472	450
Applications for Affiliate Transactions and Acquisition of Control or Exemption Therefrom	726	714
Pending Applications Closed	770	691
Insider Trading Reports	108	49
Proxy Solicitations Received and Reviewed	14	11

Figure I – 86

Summary of Closed Applications - Holding Company

Application Type	Closed at End of FY 91
Reinsurance arrangements	121
Management, data processing service, cost sharing arrangements	141
	262
Pledge of assets and pooling of assets	20
Investment in, valuation of, affiliates	11
Deposits in affiliated financial institutions	13
Purchase of securities, real estate, treasury stock	24
Affiliate loans and mortgage loan participation	15
Lease arrangements	35
Issuance of surplus debentures/notes	41
Payments on money advanced	11
Dividends and other distributions to shareholders	152
Consolidated tax returns	23
Financing arrangements	11
	356
Acquisitions of control	32
Exemptions from acquisition of control	41
	73
Total	691

Figure I – 87

During Fiscal Year 1991, public hearings were held to consider 23 acquisitions, with 22 being approved and one disapproved. The aggregate consideration paid for the acquisition of control of domestic insurance companies during Fiscal Year 1991 was about $3.7 billion.

The Holding Company Activity also administers the *Insurance Company Insider Trading and Proxy Regulation Act* (Article 21.48, *Texas Insurance Code*) and assists in the review of applications under the *Asset Protection Act* (Article 21.39-A, *Texas Insurance Code*).

Amount Paid For Control Of Domestic Insurance Companies, FY89 - FY91

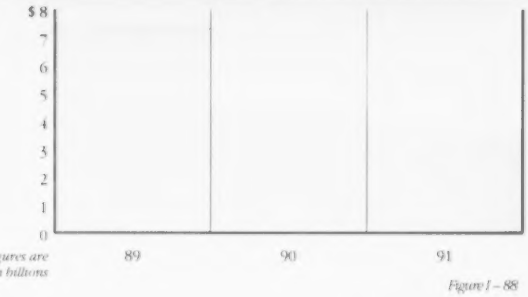


Figure I – 88

FINANCIAL ANALYSIS

This activity performs analysis of annual and interim financial statements required of all insurance companies and health maintenance organizations licensed to do business in Texas. The activity is responsible for the admission of foreign or out-of-state insurance companies seeking to do business in Texas and provides financial comments to activities under the regulated lines program regarding rate deviation and dividend applications filed for approval by property and casualty insurance companies. The Financial Analysis Activity also provides special financial status reports on troubled companies to the Early Warning Management Group.

The primary purpose of financial analysis is to determine financial condition and to assure regulatory compliance by companies and health maintenance organizations (HMOs). Analysts utilize computerized programs to generate profiles and ratios on significant financial indicators. Upon refinement and testing, these profiles and ratios will generate priority scores that ultimately will be used to create a ranking system for various regulatory purposes. Written conclusions and recommendations are made that can result in referrals to the Early Warning Management Group, supervision, target examinations or action under Article 1.32, *Texas Insurance Code*.

This statute, as amended by House Bill 2, *Acts of the 72nd Legislature*, gave the Commissioner added powers beginning in Fiscal Year 1992 in the event a company is found to be in hazardous operating condition. The Commissioner's first use of the new powers came on October 10, 1991, when two companies were ordered to stop selling policies in Texas (Commissioner's Cease-and-Desist Orders 91-1479 and 91-1480).

During the recent legislative session, this activity assisted in the development of stated capital requirements, risk-based capital, and impairment statutes. Implementation of the risk-based capital standards will require significant resources in Fiscal Year 1992. During Fiscal Year 1991, the activity also increased the number of analyses with the help of computers. With more refinement and experience, the number of detailed analyses will increase. The system ultimately will contribute to the agency wide electronic data base with significant information on the financial conditions of all insurance companies.

Annual statements filed by insurance companies in Fiscal Year 1991 report about $33.1 billion in premiums and almost $25 billion in claim payments applicable to Texas policyholders. These statements also report that insurance companies operating in Texas had aggregate assets nationwide at the end of Calendar Year 1990 of more than $1.9 trillion, liabilities of about $1.7 trillion, and capital and surplus (net worth) of more than $218 billion. More information from insurance company annual statements can be found in Part IV of this report.

TEXAS POLICYHOLDER PREMIUMS & CLAIMS PAID, CY87 - CY90

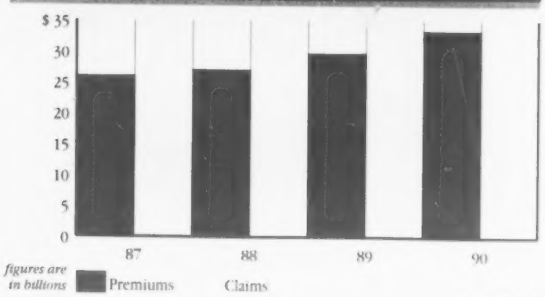


Figure I – 89

TOTAL NET WORTH OF INSURANCE COMPANIES OPERATING IN TEXAS, CY87 - CY90

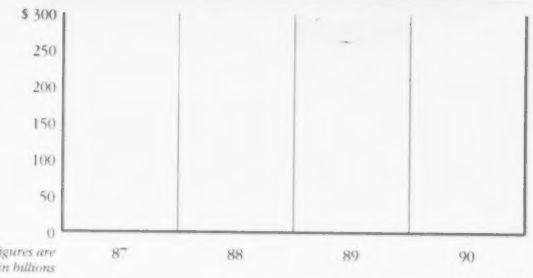


Figure I – 90

ACTUARIAL

This activity performs actuarial duties related to life insurance, annuities, and accident and health insurance. It consists of three sections: (1) Field Actuarial, (2) Actuarial Analysis and (3) In-House Actuary. There are currently 12 actuaries employed in this activity. Five of these employees are members of both the Society of Actuaries and the American Academy of Actuaries.

Field Actuarial

This division reviews reserve liabilities and other actuarial matters in connection with the field examination of legal reserve life insurance companies, fraternal benefit societies and stipulated premium life insurance companies domiciled in Texas. This work is normally performed at the home offices of the companies. A total of 128 actuarial examinations were performed by this section during Fiscal Year 1991. This area currently is planning the review process for actuarial opinions required by the new Reinsurance Intermediary Act as contained in House Bill 2, *Acts of the 72nd Legislature*.

NUMBER OF FIELD ACTUARIAL EXAMS PERFORMED, FY88 - FY91

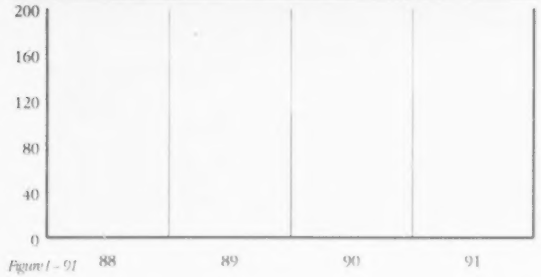


Figure I - 91

Actuarial Analysis

This division audits and verifies the annual valuation reports of reserve liabilities filed by legal reserve life insurance companies and stipulated premium companies domiciled in Texas. Duties also include the analysis of actuarial items contained in the annual statements of these companies, including non-ledger policy assets, reserve liabilities and the Statement of Actuarial Opinion signed by a qualified actuary. During Fiscal Year 1991, this division verified 148 reserve valuation reports and analyzed the Statement of Actuarial Opinion for all Texas domestic life companies. Efforts are continuing to automate a significant portion of the reserve checking process. In addition, this division is using new computer software, formulating review procedures and developing rules in response to requirements of House Bill 2, *Acts of the 72nd Legislature*. That legislation added important requirements to Article 3.28, *Texas Insurance Code*, relating to the matching of liabilities with supporting assets over time. This work is designed to be part of the agency's early warning efforts and should prove to be a valuable tool in monitoring the health of life insurance companies.

NUMBER OF RESERVE VALUATION REPORTS VERIFIED, FY88 - FY91

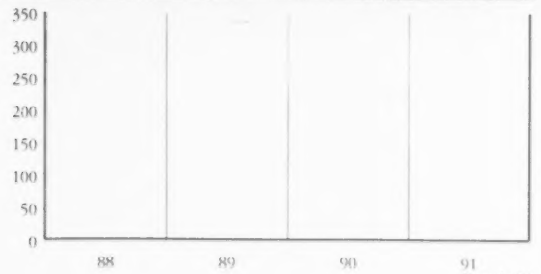


Figure I - 92

In-House Actuary

This division performs actuarial services as required by statute or regulation or as specifically requested by the Board, the Commissioner, or the Associate Commissioner for the Finance Program. This division assists other staff members with matters of an actuarial nature and performed 167 actuarial projects during Fiscal Year 1991.

PROJECTS COMPLETED BY IN-HOUSE ACTUARY, FY88 - FY91

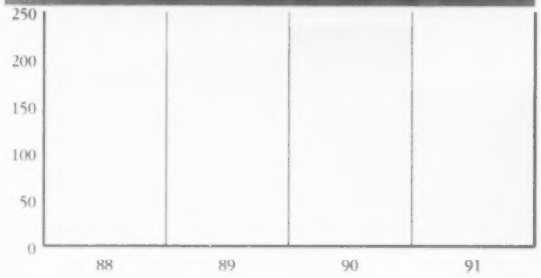


Figure I - 93

REINSURANCE

The solvency of insurance companies often depends on the reliability and solvency of their reinsurers. Since Fiscal Year 1990, the agency has employed specialists who analyze reinsurance arrangements to make sure they meet the strict requirements of state law and Board-promulgated rules and do not harm policyholders by jeopardizing the solvency of the primary insurance company. The Reinsurance Activity processes applications for accredited and trusteed reinsurers and maintains information on unlicensed reinsurers, qualified U.S. financial institutions acceptable for issuance of letters of credit, and other information essential to the proper regulation of this complex part of the insurance industry. During Fiscal Year 1991, the Reinsurance Activity reviewed and responded on 347 reinsurance arrangements submitted by various other activities in the agency.

Rules proposed by the Board in Fiscal Year 1991 would strictly regulate accounting for reinsurance arrangements by property and casualty insurance companies. New statutes relating to the regulation of reinsurance intermediaries and other amendments to the reinsurance statutes enacted in House Bill 2, *Acts of 72nd Legislature*, and House Bill 62, *Acts of the 72nd Legislature, 2nd Called Session*, should enhance this activity's ability to regulate reinsurance arrangements and to monitor the financial soundness of insurance companies doing business in Texas.

NUMBER OF REINSURANCE ARRANGEMENTS REVIEWED, FY90 - FY91

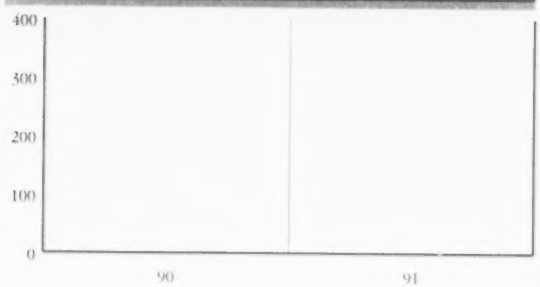


Figure I - 94

CONSERVATION OF COMPANIES

When an insurance company is determined to be in hazardous condition, the strongest administrative measures available to the Commissioner, short of receivership, are supervision and conservatorship. Both are provided as rehabilitative measures by Article 21.28-A, *Texas Insurance Code*, which contains the following expression of legislative intent: "The Legislature declares that it is a proper concern of this state and proper policy to attempt to correct or remedy insurance company misconduct, ineptness or misfortune." The Legislature also declared in the same statute its intent to provide a means for attempting rehabilitation "without immediate resort to the harsher remedy of receivership."

During supervision, certain financial transactions must receive the prior approval of the appointed supervisor. In a conservatorship, the conservator is appointed to manage the company's operations.

At the beginning of Fiscal Year 1991, the Conservation of Companies Activity had 17 companies and insurance agencies under supervision or in conservatorship, about half the number that were under order at the beginning of the previous year. An additional 34 entities were referred to Conservation during the fiscal year and 27 cases were closed. The year-end balance for Fiscal Year 1991 was 24.

INSURANCE ENTITIES IN SUPERVISION/CONSERVATION

	FY 90	FY 91
Balance at Beginning of Fiscal Year	32	17
Referred During Fiscal Year	31	34
Total	63	51

Figure I - 95

SUMMARY OF ACTIVITY - CONSERVATION OF COMPANIES

	FY 90	FY 91
Cases Closed		
Rehabilitated	20	14
In Receivership	20	11
Dissolved	6	2
Balance at End of Fiscal Year	17	24
Total	63	51

Figure I - 96

During Fiscal Year 1991, the Conservator's legal staff prepared and obtained approval of 207 administrative and judicial orders and participated in 107 administrative and judicial hearings.

SURPLUS LINES

Individuals or businesses unable to find insurance coverage from companies licensed to do business in Texas have an option of working with specialized insurance agents and insurance groups who are permitted by law to place coverage with companies not licensed in Texas. The regulation of these types of insurance transactions (including those written with surplus lines carriers, risk retention groups, and purchasing groups) is the responsibility of the Surplus Lines Activity.

In Fiscal Year 1991, a number of steps were taken to improve regulation of surplus lines including:

- Drafting of a bulletin detailing filing requirements and procedures for surplus lines agents and companies seeking eligibility to sell their insurance products in Texas. The bulletin was coordinated with the Surplus Lines Stamping Office of Texas in accordance with Article 1.14-2, *Texas Insurance Code*.
- Clarifying the ways in which the Stamping Office and the agency will cooperate in improving regulation of surplus lines insurance under Section 6A, Article 1.14-2, *Texas Insurance Code* and 28 *Texas Administrative Code* 15.101. A major function of the Stamping Office is to collect data that will help identify trends showing specific categories of businesses seeking insurance outside the state.
- Creating financial and managerial analysis guidelines that help determine which surplus lines insurance companies will be eligible to offer coverage to Texas customers.
- Ensuring proper payment of taxes and interest due the state by processing more than 4,000 bank statements from surplus lines agents, or their banks, as required by Section 12, Article 1.14-2, *Texas Insurance Code* and 28 *Texas Administrative* Code 15.25.
- Referring of more than 70 possible surplus lines violations to the Legal Services Program for appropriate disciplinary action.

The activity also received and responded to nearly 29,000 requests for information from the industry and public, and performed 257 field investigations. About halfway through Fiscal Year 1991, the activity was moved from the Regulated Lines and Licensing Program to the Finance Program.

In addition to surplus lines insurance, this activity oversees risk retention and purchasing groups formed under a federal act (Liability Risk Retention Act - 15 USC 3901-3906) signed into law in 1986. Although these groups are exempt from many state insurance laws, Article 21.54, *Texas Insurance Code*, establishes requirements for risk retention groups domiciled in Texas. The law also provides registration requirements and guidelines for foreign risk retention groups and purchasing groups. Purchasing groups are groups of businesses or professionals that band together to buy group liability insurance under a single policy.

During Fiscal Year 1991, 480 purchasing group registrations and agent reports were processed.

Consumer Services

The Consumer Services Program was created on March 11, 1991 as part of an agency reorganization. This program consists of Claims and Complaints, Complaints Resolution, Advertising and Public Education. Prior to reorganization, duties of this program were handled by the Market Conduct Activity.

The Market Conduct Activity included three divisions – Claims and Complaints, Market Conduct Examinations and Advertising – that monitored marketplace activities and business practices of licensed companies and agents. Claims and Complaints and Advertising continue to monitor marketplace activities and business practices of licensed companies and agents. Market Conduct Examinations now is in the Finance Program.

RESTITUTIONS, REFUNDS TO POLICYHOLDERS CLAIMANTS*

	FY 90	FY 91
Claims and Complaints	$20,468,938	$16,473,146
Advertising	8,185,565**	466,808
Total	$28,654,503	$16,939,954

*Includes refunds, settlements, additional claims payments, and premium reductions.
**Almost $8 million of that involved settlement of one case – AMOCO Life Insurance Company.
Market Conduct Examination numbers are now reported under the Financial Program.

Figure I – 97

CLAIMS AND COMPLAINTS

The Claims and Complaints Activity assists policyholders, claimants, and the general public by examining, analyzing, and attempting to resolve their complaints. The staff looks at the claims handling practices of licensed insurance companies, agents, and other licensees to determine if violations of the *Texas Insurance Code* exist. During Fiscal Year 1991, the complaints process resulted in insurance companies making an additional $16,473,146 in claims payments and $466,808 in advertising-related refunds to consumers. Plans were initiated in Fiscal Year 1991 for establishment of a complaints mediation process. The goal is to achieve greater satisfaction for the parties involved.

The Claims and Complaints Activity also operates five stations that respond to calls over the agency's toll free consumer telephone line. This activity is being expanded because of heavy consumer demand and newly-enacted legislation requiring increased information to the public about the toll free line (House Bill 2, *Acts of the 72nd Legislature*). Between Fiscal Year 1989 and Fiscal Year 1991, the number of calls to the activity more than doubled from 106,181 to 215,627. Calls to the hotline alone in Fiscal Year 1991 totaled 139,184, compared with 119,621 for Fiscal Year 1990.

While the number of calls to the hotline doubled, the number of written complaints leveled off. As a result of additional phone lines and additional staff training, many more consumer problems now are being resolved over the telephone rather than submitted as formal written complaints. This contributed to the decline in number of complaints closed in Fiscal Year 1991.

TOTAL NUMBER OF COMPLAINT CASES CLOSED, FY87 - FY91

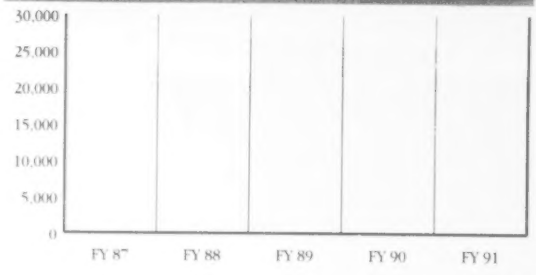


Figure I – 98

Additional Claim Payments To Consumers, FY87 - FY91

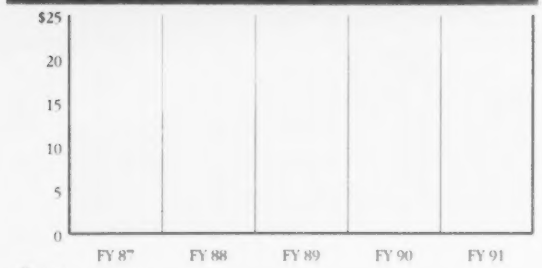


Figure I – 99

Although the activity prefers formal complaints to be in writing, telephoned complaints are accepted. A staff member records essential details of each complaint on a written form, which is mailed to the complaining party for signature.

Complaint cases are tabulated by company, type of complaint, reason for complaint, and disposition. A monthly statistical report indicates trends in complaints and provides a basis for comparing the management of companies writing similar lines of insurance. An abnormal change in the type or number of complaints can be symptomatic of financial or other company problems. When a significant increase in complaints occurs, the insurance company is required to explain the reason and describe how management intends to correct any problems. At this point, the activity can request a market conduct examination in which an agency examiner conducts an on-site review of a company's policyholder claims and advertising records.

In addition to complaint handling, Consumer Services conducted a number of other public service activities in Fiscal Year 1991:

- Representing the agency, along with other activities and divisions, at statewide meetings of the Texas Business Council, a cooperative business education program sponsored by the Texas Employment Commission. The meetings, held in most major cities, were an opportunity to introduce business leaders to a number of state agencies.
- Sponsoring and presenting a day-long seminar in Harlingen that focused on insurance matters of interest to senior citizens.
- Distributing a video and accompanying brochure on buying Medicare supplement insurance throughout the state for viewing by approximately 2,730 Texans.
- Continuing staff support for the Senior Citizen Issues Advisory Committee's quarterly meetings on insurance problems and information.
- Giving 41 speeches to various seniors' organizations in 20 of the 28 Area Agencies on Aging established by the Texas Department on Aging.
- Presenting six-hour training workshops in Dallas and Harlingen to professionals who work with senior citizens. These included benefits counselors with the Texas Department on Aging, Texas A&M Extension Service agents, health care providers, senior citizen associations, and insurance-related organizations. The training sessions provided current information and legislative updates on insurance products for the elderly

Additional Claim Payments To Consumers

	FY90	FY91
Life, Accident & Health	$12,197,758	$ 8,556,438
Property & Casualty	8,271,180	7,916,708
Totals	$20,468,938	$16,473,146

Figure I – 100

Summary of Activity - Claims and Complaints

	FY 89	FY 90	FY 91
Complaints Resolved			
Life Accident & Health	19,124	16,549	14,205
Property & Casualty	7,615	8,962	7,649
Total Complaints Resolved	26,739	25,511	21,854
Telephone Inquiries Handled*	106,181	191,866	215,627

** Includes "Hotline" and all other telephone inquiries to the activity.* *Figure I – 101*

The Mail Distribution Center, a section under Claims and Complaints, opens and routes mail from consumers to areas within the agency that can be of help. All correspondence is entered into the electronic Uniform Complaint Tracking System, which allows agency employees to check the whereabouts and status of each consumer request or complaint.

PUBLIC EDUCATION

Even though Public Education was not operational as an activity during Fiscal Year 1991, its basic functions were carried out by the Claims and Complaints staff. A summary of accomplishments during Fiscal Year 1991 are included in the text of the Claims and Complaints Activity.

When fully operational, the primary function of Public Education will be to improve Texas consumers' knowledge about insurance. It is anticipated that this division ultimately will operate a speaker's bureau, organize seminars and workshops and assist in development of consumer publications and videos. The division, when activated, will draw on the expertise of the Claims and Complaints staff, especially for seminars and speaking engagements.

COMPLAINTS RESOLUTION

This new activity, which includes mediating claims disputes between consumers and insurance companies, is scheduled to begin operating in early 1992. Mediation sessions are expected to be held in various cities around the state to make the process as accessible as possible for the state's consumers.

The activity will deal with particularly difficult claims disputes. With mediation sessions, staff will be able to offer consumers another avenue should the normal complaint process fail to resolve the matter to their satisfaction. In the past, a consumer dissatisfied with an insurance company's response to a complaint could either give up or hire an attorney and take the matter to court.

ADVERTISING

The Advertising Activity reviews insurance-related print and electronic advertising for compliance with state laws and Board regulations. Currently, only advertisements for Medicare supplement, variable life and any life and annuity product marketed as an Individual Retirement Annuity Plan are required to be filed for review. Therefore, many of the advertisements reviewed are submitted voluntarily by insurance companies or by consumers or other agency programs concerned that some ads might be misleading to the public.

One of the major tasks of the Advertising Activity is to review Medicare supplement advertisements. Insurance companies are required to submit these advertisements 60 days prior to use.

During Fiscal Year 1991, Advertising received more than 860 Medicare supplement advertisements and reviewed, or closed, 752 files.

Numerous changes in Medicare rules and statutes, however, resulted in fewer Medicare forms being submitted for approval. That caused a 22 percent drop in total advertising forms received between Fiscal Year 1990 and Fiscal Year 1991.

Another concern for Advertising is the overselling of accident and health (A&H) insurance products to senior citizens. As a result, Advertising proposed, and now enforces, a rule requiring agents selling A&H policies to those age 65 and older to offer to examine current coverage and advise the consumers whether new coverage would duplicate existing coverage. The rule also requires that consumers be advised that the purchase of more than one policy type may be unnecessary and costly (28 *Texas Administrative Code* 21.113L).

The activity also responded to numerous advertisements that misled consumers about primary policy benefits. Staff proposed, and now enforces, a rule that prohibits advertising of riders or additional policy benefits with more prominence than the primary policy benefits (28 *Texas Administrative Code* 21.105S). During Fiscal Year 1991, several cases of misleading advertising were sent to Legal Services. As a result, companies were required to refund $153,210 in premiums, stop using advertising materials or issuing unapproved policies, submit advertising for approval, and pay penalties and reissue policies. In conjunction with Market Conduct Examinations, the activity compelled one company to freeze rates for six months, resulting in a $313,598 premium savings to Texans.

SUMMARY OF ACTIVITY - ADVERTISING

	FY 90*	FY 91
Advertising Filings Received	3,382	2,646
Advertising Filings Closed	4,053	3,044

**FY 90 numbers were higher than normal because of a push to log-in and/or close a large backlog of cases.*

Figure I – 102

State Fire Marshal

The State Fire Marshal's Office (SFMO), a part of the agency since 1910, began at the end of Fiscal Year 1991 to prepare for a September 1 transfer to a new agency. The Texas Commission on Fire Protection created by Senate Bill 383, *Acts of the 72nd Legislature*, consolidates the functions of the SFMO, the Commission on Fire Protection Personnel Standards and Education, the Fire Department Emergency Board and the Key Rating Section that has been operating under the Property Activity.

The objective of the SFMO is to reduce the number and severity of fires and fire deaths and injuries in Texas. Coordination, training, and technical support are provided to municipal and rural fire departments, law enforcement agencies, federal and state agencies, and other organizations with a need for, or interest in, fire safety.

When asked, the SFMO helps local officials investigate fires and prosecute arson suspects. The SFMO also inspects facilities for fire hazards and provides guidance for their removal. It regulates and licenses the fire extinguisher, fire alarm, fire sprinkler system, and fireworks industries in accordance with statutory requirements. In addition, the office provides the fire services and the general public with information about fire problems in Texas and about fire prevention.

The authority for the State Fire Marshal's public safety efforts derives from the following statutes:

GOVERNMENT CODE, TITLE 4

1.	417.001	State Fire Marshal Defined
2.	417.002	State Fire Marshal, Appointment and Tenure
3.	417.003	Status as a Commissioned Officer
4.	417.004	General Powers and Duties
5.	417.005	Adoption of Rules
6.	417.0051	Fire Prevention and Safety Education
7.	417.006	Arson Investigators
8.	417.007	Investigation of Fire
9.	417.008	Inspections - Examination and Correction of Dangerous Conditions
10.	417.009	Delegation of Authority
11.	443.012	State Capitol Inspection

TEXAS INSURANCE CODE

1.	5.43-1	Fire Extinguishers
2.	5.43-2	Fire Alarms
3.	5.43-3	Fire Sprinklers
4.	5.43-4	Fireworks
5.	5.46	Arson Reporting Immunity
6.	5.25	Fire Data Collection

HEALTH & SAFETY CODE, TITLE 9

1.	753	Flammable Liquids
2.	791	Fire Escape Law

The following table shows statistics collected by the Texas Fire Incident Reporting System (TEXFIRS) on the number of fires in Texas, number of deaths and injuries caused by fires and the value of property destroyed by fires. The number of fires to which fire departments responded declined by seven percent, but the number of fatalities due to fire increased by almost 23 percent. Some of that increase may be attributable to an increase in the number of fire departments reporting to TEXFIRS. In 1989, 303 departments reported. In 1990, that number increased to 390.

SUMMARY OF ACTIVITY - TEXAS FIRE STATISTICS CY89 - CY90

	CY 89	CY 90
Number of Fires Responded to by Fire Departments	134,156	124,805
Number of Fatalities Due to Fires	290	356
Number of Persons Injured Due to Fire, estimated	3,542	3,289
Value of Property Destroyed by Fires, Estimated	*$1,241,646,622	$449,397,918

* $750,000,000 is attributed to the Phillips Petroleum Fire - 10-23-89

Figure I - 103

Number of Fatalities Due to Fire, CY87 - CY90

CY	# of Fatalities	# of Fire Departments Reporting
87	322	321
88	299	308
89	290	303
90	356	390

Figure I - 104

Number of Fatalities Due to Fire, CY87 - CY90

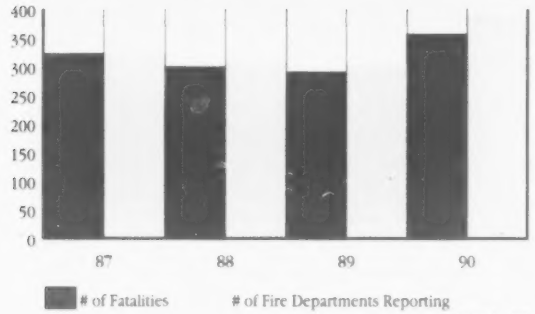


Figure I - 105

Significant highlights of the SFMO operation in Fiscal Year 1991 include:

- Increasing the number of fire departments participating in the Texas Fire Incident Reporting System (TEXFIRS) from 303 to 390, with coverage increasing from 75.5 percent of the state's population to 78 percent. The number of reports processed increased nine percent.
- Holding the second annual Fire Prevention Education Symposium in February 1991, in cooperation with the Texas Fire Marshals' Association, Texas Fire Chiefs' Association and Texas A&M Fire Protection Training Division. The two-day program, attended by more than 100 fire service professionals, featured seminars on planning, executing, and evaluating fire prevention programs. Speakers included nationally recognized fire and burn care professionals.
- Completing curriculum guides for teaching fire prevention in kindergarten, grades one, two, six and eight and high school health classes. Approximately 2,300 students and teachers in 22 school districts participated in field testing the curriculum materials.
- Helping increase the number of school districts participating in the Public School Fire Prevention Education Reporting System by 68 percent, from 522 during school year 1989-90 to 825 in 1990-91. (The system gathers information to be used by the agency's Property Activity to determine credit for teaching fire prevention in public schools as specified in the key rate schedule.) The table summarizes data on students participating in the program.

Students Participating in Fire Prevention Programs

	School Year 1989-90	School Year 1990-91
Student Population	3,281,869	3,322,308
Reporting, Total Compliance	364,699	494,957
Reporting, Partial Compliance	1,962,500	2,601,272
Not Reporting	929,440	198,151

Figure I - 106

- Revising the reporting form used to gather information from school districts to include additional information on the number receiving classroom instruction on fire prevention. The revised reports indicate approximately 1.8 million school children participated in instructional programs related to fire prevention.
- Increasing enforcement efforts against companies and individuals registered or licensed by the SFMO, resulting in monetary forfeitures totalling $51,500. In addition, licensed companies completed requirements for restitution and/or remedial action that will return another $35,000 to consumers.

Action by the 72nd Legislature also led to other changes within the Licensing Administration programs. Article 5.43-2, *Texas Insurance Code*, amended by Senate Bill 1490, *Acts of the 72nd Legislature*, added a residential fire alarm superintendent license and decreased late fees. Also, exceptions to statutory requirements were revised

and the number of individuals serving on the Fire Alarm Advisory Council was increased from five to seven.

Article 5.43-4, *Texas Insurance Code*, amended by Senate Bill 383, *Acts of the 72nd Legislature*, established an advisory council composed of five members representing the fireworks industry. The Board also adopted on an emergency basis amendments to the fireworks rules to increase fees effective January 11, 1991. The permanent rule became effective July 4, 1991.

GENERAL MANAGEMENT

It is the responsibility of this activity to supervise, coordinate, administer, and monitor all functions and activities of the program to ensure efficient operation and sound application of and adherence to statutes, codes, rules, regulations, and orders. Statistics on fire losses, deaths, and injuries are collected, tabulated, analyzed, and provided to the fire service and the general public and are used in the development of internal programs. Fire prevention education programs and materials are developed for presentation to the public, especially to kindergarten through high school students.

Of particular interest was an increase in hearings and Fire Marshal orders as a result of additional enforcement efforts. Fire Marshal orders more than doubled between Fiscal Year 1990 and 1991 from 45 to 99 due to an increased number of investigations of extinguisher, alarm, sprinkler, and fireworks businesses.

SUMMARY OF ACTIVITY - STATE FIRE MARSHAL GENERAL MANAGEMENT

	FY 90	FY 91
Telephone Requests for Assistance/Information	54,202	60,058
Correspondence	174,324	n/a
Forms, Pamphlets, Etc., Disseminated	322,134	289,095
Hearings	50	83
Fire Marshal Orders	45	99
Fire Incident Reports Processed	445,947	484,635
Educational Communications Distributed	n/a	272,413
School Children Educated	335,000	494,957

Figure I - 107

ARSON INVESTIGATION & INSPECTION

This activity consists of two divisions, Arson Investigation and Fire Safety Inspection.

Arson Investigation

This division, upon request, investigates the origin, cause and circumstances of fires and tries to identify arson suspects and assist in their prosecution.

SUMMARY OF ACTIVITY - ARSON INVESTIGATION AND INSPECTION

	FY 90	FY 91
Investigations Requested	525	511
Investigations Conducted	486	464
Follow-up Investigations Conducted	1,671	1,341
Findings:		
Accidental	104	101
Undetermined	127	111
Incendiary	204	252
Arson Cases Filed:	160	179
Indictments	109	88
Convictions	119	83
Investigation Training Programs Conducted	24	5

Figure I - 108

Fire Safety Inspection

This division conducts fire and life safety inspections of: (1) various structures, materials and operations as provided by statute, including the Texas State Capitol; (2) the storage, handling, and use of flammable liquids at retail service stations; (3) the operation of mobile service units; and (4) fire escapes in certain buildings of three or more stories and schools of two or more stories. In addition, the division reviews plans for new and remodeled jails at the request of the Jail Standards Commission. Hazards or discrepancies discovered are monitored for compliance. Inspection of mercantile, manufacturing and public buildings, and places of public amusement or assembly are conducted upon complaint or request.

Summary of Activity - Fire Safety Inspections

	FY 90	FY 91
Inspections Requested	1,665	2,747
Inspections Completed (Includes Self-Initiated*)	1,248	2,679**
Reinspections Made	2,146	1,779
Buildings Inspected by Occupancy Type:		
Assembly	1,214	897
Education	2,290	1,556
Health Care	50	42
Penal	16	43
Residential	2,081	2,131
Mercantile	499	1,513
Business	368	1,169
Industrial	42	109
Storage	84	66
Other (Special/High Rise)	422	19
Mixed	55	84
Total	7,121	7,629
Inspections of Flammable Liquids Facilities	99	27
Inspections of Fireworks Facilities/Display Sites	45	1,890**
Review of Plans for New/Remodeled Jails	4	15

* *Those scheduled by SFMO*

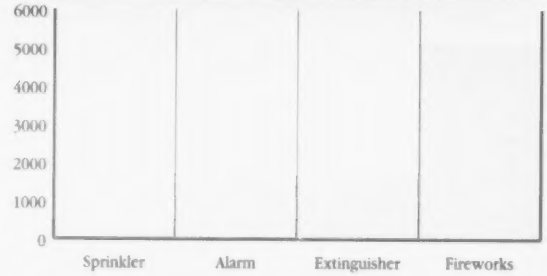
** *Routine biennial inspections of firework stands statewide account for the tremendous jump in the number of inspections*

Figure 1 - 109

LICENSING

This activity is responsible for registering certain companies and licensing individuals, as required by statute, and for verifying applicants' qualifications through examination and application evaluation. Fire alarm, fire sprinkler system, and fire extinguisher companies are registered; certain fire extinguisher, fireworks, fire sprinkler system, and fire alarm company employees are tested and licensed; and various types of fireworks licenses and permits are issued. Inspections of companies are made and investigations of suspected violations are conducted.

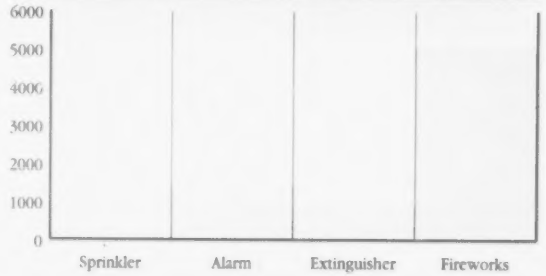
Summary Of New & Renewal SFMO Licenses, FY90



Total 8,491

Figure 1 - 110

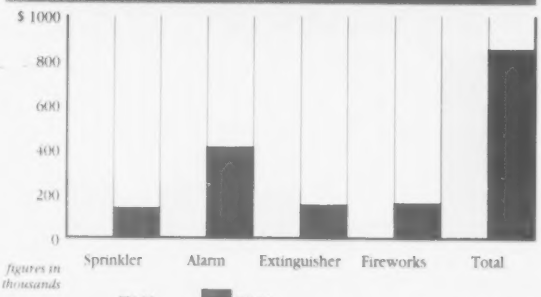
Summary Of New & Renewal SFMO Licenses, FY91



Total 7,473

Figure 1 - 111

State Fire Marshal Revenue Distribution, FY90 - FY91



$ 830,897 $ 848,970

Figure 1 - 112

State Fire Marshal - License Summary

	New	Renewal	Total
Fire Extinguisher			
Certificates of Registration (CR)	46	82	128
Branch Office (CR)	12	8	20
Hydrostatic Testing (CR)	10	13	23
Licenses (Type A and B)	272	330	602
Licenses (Type PL)	7	6	13
Apprentice Permits	81	–	81
Subtotals	428	439	867
Fire Alarm			
Certificates of Registration (CR)	68	145	213
Branch Office (CR)	27	34	61
Technician Licenses	407	614	1,021
Planning Superintendent Licenses	35	78	113
Subtotals	537	871	1,408
Fire Sprinkler			
Certificates of Registration (CR)	20	41	61
RME Licenses	16	79	95
Subtotals	36	120	156
Fireworks			
Manufacturers' Licenses	–	2	2
Distributors' Licenses	2	18	20
Jobbers' Licenses	2	10	12
Importers' Licenses	4	22	26
Pyrotechnic Operator's Licenses	33	356	389
Display Licenses	–	3	3
Display Permits	363	–	363
Retail Permits	4,224	–	4,224
Agricultural Industrial or Wildlife Control Permits	3	–	3
Subtotals	4,631	411	5,042
Grand Totals	5,632	1,841	7,473

Figure I – 113

State Fire Marshal - Examination and Renewal Notices

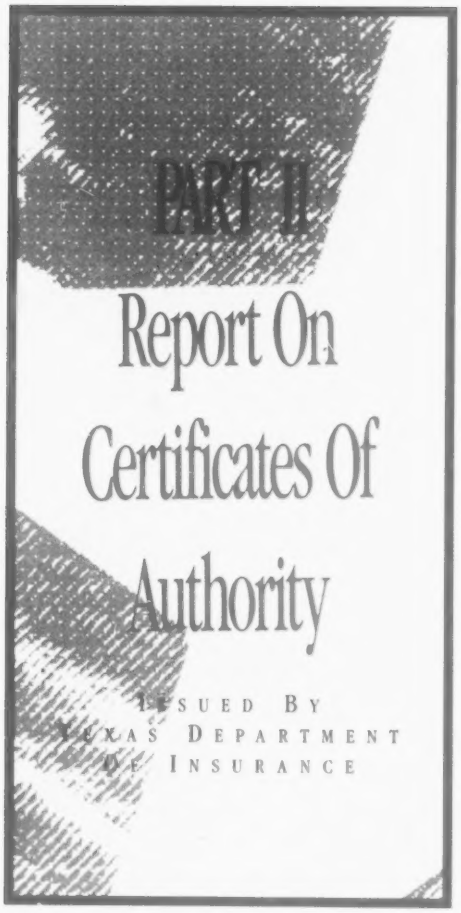
	Examinations	Renewal Notices
Fire Extinguisher	910	896
Fire Alarm	1,297	1,185
Fire Sprinkler	15	191
Fireworks	54	453
Totals	2,276	2,725

Figure I – 114

State Fire Marshal - Licensing Investigations & Disciplinary Actions

	Fire Alarm	Fire Extinguisher	Fire Sprinkler	Fireworks	FY 90 Totals	FY 91 Totals
Investigations						
Requests	355	208	46	276	743	885
Conducted	239	170	40	14	556	463
Follow-up Conducted	82	23	20	3	70	128
Files Closed	221	120	39	10	211	390
Company Inspections Conducted	42	10	0	273	355	325
Follow-up Inspections Conducted	36	0	0	53	0	89
Inspection Cases Closed	35	13	0	239	358	287
Cases Filed for Administrative Action	17	56	18	1	258	254
Cases Closed for Administration Action	270	81	20	1	177	372
Pre-Hearing Conferences	28	24	8	0	19	60

Figure I – 115


PART II
Report On
Certificates Of
Authority
ISSUED BY
TEXAS DEPARTMENT
OF INSURANCE

10-Year History
Certificates of Authority

Figure II-1

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
Life/Health											
Domestic	456	455	453	492	508	495	474	450	438	409	376
Foreign	616	673	699	711	724	743	759	766	768	759	760
Sub-Total	1,072	1,128	1,152	1,203	1,232	1,238	1,233	1,216	1,206	1,168	1,136
Property/Casualty											
Domestic	233	238	246	270	283	287	290	293	288	279	277
Foreign	584	644	670	702	726	735	738	746	743	755	773
Sub-Total	807	882	916	972	1,009	1,022	1,028	1,039	1,031	1,034	1,050
Other											
Domestic	9	12	13	13	17	25	33	36	73	128	159
Foreign	0	0	0	0	0	0	0	0	34	121	182
Sub-Total	9	12	13	13	17	25	33	36	107	249	341
Grand Total	1,888	2,022	2,081	2,188	2,258	2,285	2,294	2,291	2,344	2,451	2,527

Life/Health includes: Stock Life, Mutual Life, Stipulated Premium, Non-profit Life Insurance, Fraternals, Statewide Mutual Assessment Life, Accident & Health; Local Mutual Aid, Burial and Exempt Associations; Non-Profit Hospital Service Corporation.

Property/Casualty includes: Stock Fire, Stock Fire & Casualty, Mutual Fire & Casualty, Stock Casualty, Mexican Casualty, Lloyds, Reciprocals, Title, Risk Retention Groups, County Mutuals, Farm Mutuals.

Other includes: Non-Profit Legal Services Corporations and Health Maintenance Organizations (HMOs). Beginning Fiscal Year 1988 added Continuing Care Retirement Communities (CCRCs), and beginning Fiscal Year 1989 added Third-Party Administrators.

Types & Totals Of Entities Holding A Certificate Of Authority
In Texas As Of August 31, 1991

Figure II-2

	Texas	Foreign	Total
Stock Life Insurance Companies	243	645	888
Mutual Life Insurance Companies	3	86	89
Stipulated Premium Life Insurance Companies	65	0	65
Non-Profit Life Insurance Companies	0	1	1
Stock Fire Insurance Companies	1	8	9
Stock Fire & Casualty Insurance Companies	110	605	715
Mutual Fire & Casualty Insurance Companies	7	65	72
Stock Casualty Insurance Companies	6	53	59
Mexican Casualty Insurance Companies	0	9	9
Lloyds	85	1	86
Reciprocal Exchanges	12	14	26
Fraternal Benefit Societies	11	28	39
Title Insurance Companies	6	18	24
Non-Profit Legal Services Corporations	1	0	1
Health Maintenance Organizations	31	1	32
Risk Retention Groups	2	0	2
Third-Party Administrators	112	179	291
Continuing Care Retirement Communities	15	2	17
Total	710	1,715	2,425
Statewide Mutual Assessment Life, Accident, and Health Insurance Companies	2		2
Local Mutual Aid Associations	26		26
Burial Associations	10		10
Exempt Associations	14		14
Non-Profit Hospital Service Corporations	2		2
County Mutual Fire Insurance Companies	24		24
Farm Mutual Fire Insurance Companies	24		24
Total	102		102
Grand Total	812	1,715	2,527

Types & Totals Of Entities Licensed In Texas As Of August 31, 1991

Figure II-3

	Texas	Foreign	Total
Property & Casualty	277	773	1,050
Life	376	760*	1,136
***Other**	159	182	341
Total	812	1,715	2,527

Includes:
Non-Profit Legal Services Corporations, Health Maintenance Organizations, Third-Party Administrators
Continuing Care Retirement Communities

Reconciliation

Figure II-4

	Total
Companies Licensed as of August 31, 1990	2,451
Companies Organized or Licensed during year	149
Less Companies Reinsured, Merged, Withdrawn, Cancelled, Dissolved, Redomesticated, Domesticated or placed in Permanent Receivership during year	73
Companies Licensed as of August 31, 1991	2,527

New Companies Organized Or Admitted To Texas, Between September 1, 1990 & August 31, 1991

Figure II-5

	Texas	Foreign	Total
Stock Life Insurance Companies	2	10	12
Mutual Life Insurance Companies		3	3
Stock Fire & Casualty Insurance Companies	1	21	22
Mutual Fire & Casualty Insurance Companies		1	1
Stock Fire Insurance Companies		1	1
Stock Casualty Insurance Companies	1	2	3
Lloyds	2		2
Title Insurance Companies		2	2
Health Maintenance Organizations	1		1
Non-Profit Hospital Service Corporations	1		1
Third- Party Administrators	34	67	101
Total	42	107	149

New Companies Organized Or Admitted To Texas Between September 1, 1990 & August 31, 1991

Texas Companies		Date Licensed
STOCK LIFE INSURANCE COMPANIES		
Jefferson National Life Insurance Company of Texas	*Amarillo*	12/28/90
NACOLAH Life Insurance Company of Texas	*Dallas*	12/18/90
STOCK FIRE AND CASUALTY INSURANCE COMPANIES		
Performance Insurance Company	*Dallas*	12/31/90
STOCK CASUALTY INSURANCE COMPANIES		
FFG Insurance Company	*Dallas*	12/12/90
LLOYDS		
Prudential Lloyds, The	*Houston*	09/20/90
Vesta Lloyds Insurance Company	*Richardson*	11/28/90
HEALTH MAINTENANCE ORGANIZATIONS		
Parliament Dental Plans, Inc.	*Houston*	11/13/90
NON-PROFIT HOSPITAL SERVICE CORPORATIONS		
Scott and White Group Hospital Service Corporation	*Temple*	08/21/91
THIRD-PARTY ADMINISTRATORS		
Acordia Benefits of Texas, Inc.	*Dallas*	03/12/91
Acordia Educational Benefits of Texas, Inc.	*Dallas*	03/12/91
AMS Group, Inc.	*Corpus Christi*	08/15/91
Bendaco, Inc.	*Mesquite*	04/09/91
Benefit Resource Management, Inc.	*Fort Worth*	07/11/91
Bob Grizzle (Doing Business as Small Business Management Concepts)	*Richardson*	06/17/91
Burkholder Corporation	*Dallas*	01/18/91
Entrust, Inc.	*Houston*	10/05/91
Erisa Administrative Services, Inc.	*Austin*	11/02/90
First Actuarial Corporation of Texas	*Houston*	03/12/91
First Financial Administrators, Inc.	*Houston*	12/11/90
Flexible Account Systems	*Arlington*	03/12/91
Gotcher Miller Financial Group, Inc.	*Dallas*	01/07/91
Greentree Administrators, Inc.	*Beaumont*	11/02/90
Hartman Group, Incorporated, The	*Austin*	09/12/90
Hibbs-Hallmark & Company	*Tyler*	11/28/90
Insured Vision, Inc. (Doing Business as Vision Administrators)	*Austin*	04/23/91
Integrated Healthcare Systems, Inc.	*Galveston*	10/25/90
Joseph R. Halow Company, Inc. (Doing Business as Medical Care Referral Group)	*El Paso*	10/05/91
Kevlin Services, Incorporated	*Dallas*	03/12/91
Laredo Health Care Associates, Inc.	*Laredo*	03/12/91
LOA Administrators, Inc.	*Houston*	09/20/90
Managed Healthcare, Inc.	*Houston*	09/12/90
Management Administration Systems, Incorporated	*Richardson*	10/17/90

Texas Companies		Date Licensed
MHN, Inc.	*Irving*	02/07/91
Michael J. Hays (Doing Business as Benefits Management Services)	*Carrollton*	01/07/91
Omega Benefits Services, Inc.	*Richardson*	11/28/90
Pension Concepts and Administration, Inc.	*Lubbock*	11/13/90
Professional Association Services, Inc.	*Irving*	09/12/90
Richard Thompson	*Austin*	12/18/90
Simpkins & Associates, Inc.	*San Antonio*	02/07/91
Total Plan Services, Inc.	*Dallas*	02/13/91
United Life Services, Inc.	*Carrollton*	07/25/91
Winfred Lee Baker (Doing Business as Baker Systems)	*Bryan*	01/07/91

Foreign Companies

STOCK LIFE INSURANCE COMPANIES

American Continental Life Insurance Company	*Kansas City, MO.*	11/28/90
American Funeral Assurance Company	*Amory, MS.*	01/14/91
Century Life Assurance Company	*Oklahoma City, OK.*	07/25/91
Community Life Insurance Company, The	*Worthington, OH.*	12/20/90
Equity Benefit Life Insurance Company	*Fairfax, OK.*	01/18/91
Investors Consolidated Insurance Company	*Durham, NC.*	07/03/91
Old Western Life Insurance Company	*Columbia, MO.*	10/17/90
PM Group Life Insurance Company	*Phoenix, AZ.*	02/26/91
Summit National Life Insurance Company	*Broomall, PA.*	01/18/91
Western Family Life Insurance Company	*Carlsbad, CA.*	06/17/91

MUTUAL LIFE INSURANCE COMPANIES

Baltimore Life Insurance Company, The	*Baltimore, MD.*	02/15/91
Commercial Travelers Mutual Insurance Company	*Utica, NY.*	07/11/91
North West Life Assurance Company of Canada, The	*Vancouver, B. C., Canada*	10/25/90

STOCK FIRE AND CASUALTY INSURANCE COMPANIES

Bancinsure, Inc.	*Oklahoma City, OK.*	09/12/90
Beacon Insurance Company of America	*Westerville, OH.*	06/04/91
Caledonian Insurance Company of America	*New York, N.Y.*	12/12/90
Centurion Casualty Company	*Des Moines, IA.*	10/17/90
Colonia Insurance Company	*New York, N.Y.*	02/26/91
Computer Insurance Company	*E. Providence, RI.*	01/14/91
Finmar Reinsurance Corporation	*New York, N.Y.*	07/03/91
IDS Property Casualty Insurance Company	*Green Bay, WI.*	11/30/90

Foreign Companies		Date Licensed
Laurier Indemnity Company	*Atlanta, GA.*	08/29/91
Markel American Insurance Company	*Glen Allen, VA.*	01/14/91
New England Insurance Company	*Hartford, CT.*	02/26/91
Nissan Fire & Marine Insurance Company, Limited, The	*Tokyo, Japan*	01/14/91
Nordstern Insurance Company of America	*New York, NY.*	10/05/90
Omni Insurance Company	*Atlanta, GA.*	11/13/90
Pacific States Casualty Company	*Los Angeles, CA.*	01/25/91
Philadelphia Insurance Company	*Wynnewood, PA.*	05/01/91
Star Insurance Company	*Southfield, MI.*	08/21/91
Toyota Motor Insurance Company	*Des Moines, IA.*	10/25/90
USAA Casualty Insurance Company of Florida	*Tampa, FL.*	11/26/90
U.S. Capital Insurance Company	*White Plains, NY.*	01/25/91
York Insurance Company	*Downers Grove, IL.*	08/21/91

MUTUAL FIRE AND CASUALTY INSURANCE COMPANIES

Columbia Mutual Insurance Company	*Columbia, MO.*	08/21/91

STOCK FIRE INSURANCE COMPANIES

Rocky Mountain States Insurance Company (Assumed Name of Mountain States Insurance Company)	*Kalispell, MT.*	11/08/90

STOCK CASUALTY INSURANCE COMPANIES

Financial Security Assurance Inc.	*New York, NY.*	01/18/91
Old United Casualty Company	*Merriam, KS.*	08/29/91

TITLE INSURANCE COMPANIES

Security Title and Guaranty Company	*New York, NY.*	10/17/90
United General Title Insurance Company	*Baton Rouge, LA.*	11/13/90

THIRD-PARTY ADMINISTRATORS

ABI Administrative Services Inc. of Florida(Doing Business as National Health Care Administrators)	*Tampa, FL.*	10/05/90
Acordia Health Industry Benefits, Inc.	*Indianapolis, IN.*	04/09/91
Administration Associates, Inc. (Doing Business as Program Services)	*Washington, D.C.*	10/05/90
Alta Health Strategies (TPA), Inc.	*Salt Lake City, UT.*	01/03/91
Alternative Dental Care, Inc.	*Wayne, PA.*	04/09/91
American Administrative Group, Inc. (Doing Business as North American Administrative Group, Inc.)	*Hoffman Estates, IL.*	03/12/91
Ardiel Insurance Services, Inc.	*Burlingame, CA.*	09/20/90
Atlantic Administrators Insurance Agency, Inc. (Doing Business as Atlantic Administrators, Inc.)	*Waltham, MA.*	06/17/91
Beneficial Administration Company, Inc.	*Newport Beach, CA.*	11/02/90
Benefits 1 Agency, Inc.	*Columbus, OH.*	07/25/91
Benefits General Systems, Inc.	*Denver, CO.*	09/12/90
Berkely Association Services, Ltd.	*Mineola, NY.*	10/17/90
Brokers/Consultants, Inc.	*Chicago, IL.*	05/01/91

Foreign Companies		Date Licensed
Century Management Company	*Oklahoma City, OK.*	07/11/91
Charles Paul Gauthier (Doing Business as Olympic Health Management Systems)	*Bellingham, WA.*	09/12/90
Co-Ordinated Benefit Plans, Inc.	*Tampa, FL.*	12/12/90
Consultants & Administrators, Inc. (Doing Business as Adminicomp)	*Westerville, OH.*	03/12/91
DBL Services, Inc.	*St. Louis, MO.*	01/25/91
Direct Response Insurance Administrative Services, Inc.	*Bloomington, MN.*	08/07/91
EMP, Inc.(Doing Business as Texas Medical Management Consultants, Inc.)	*Durant, OK*	09/12/90
Employee Benefit Plans, Inc.	*Minneapolis, MN.*	02/07/91
Executive and Employee Benefit Plans, Inc.(Doing Business as E & E Benefit Plans)	*Columbus, OH.*	10/05/90
First Benefits Agency, Inc.	*Akron, OH.*	09/20/90
Foundation Financial Services, Inc.	*Reno, NV.*	09/20/90
Freimark & Thurston Agency, Inc.	*Dayton, OH.*	01/07/91
Fringe Benefit Review, Inc.	*Charlotte, NC.*	08/15/91
Group Underwriters, Inc.	*Elberton, GA.*	12/18/90
Health Claim Services, Inc.	*BocaRaton, FL*	07/25/91
Health Plan Administrators, Inc.	*Rockford, IL.*	10/17/90
HelmsmanManagement Services,Inc.	*Boston, MA*	08/07/91
Hilb, Rogal and Hamilton Employee Benefits, Inc. (Doing Business as Jones, Hill & Mercer Employee Benefits, Inc.)	*Savannah, GA.*	01/25/91
Independent Administration Company	*Minnetonka, MN.*	11/02/90
Insurance Benefit Services, Inc. (Doing Business as World Administrators Company)	*King of Prussia, PA.*	04/09/91
Interactive Medical Systems Corporation	*Raleigh, NC.*	06/17/91
International Underwriters/ Brokers, Inc.	*Vienna, VA.*	01/03/91
ISM Insurance, Inc.	*Wilmington, DE.*	01/07/91
Jackson, Long & Associates, Inc.	*Matteson, IL.*	08/07/91
Johnson & Higgins, Kirke-Van Orsdel, Inc.	*Des Moines, IA.*	04/23/91
Kirke-Van Orsdel, Incorporated	*Des Moines, IA.*	04/23/91
Klais and Company, Inc.	*Akron, OH.*	05/27/91

Foreign Companies		Date Licensed
Lahood & Associates, Inc.	*Overland Park, KA.*	10/15/90
Massmark Administrative Services, Inc.	*Concord, NC.*	07/11/91
Medical Group Insurance Services, Inc.(Doing Business as The MGIS Companies) (Doing Business as MGIS)	*San Jose CA.*	04/23/91
NASRA T.P.A. Corporation (Doing Business as NASRA TPA,Inc.)	*Deerfield, IL*	05/27/91
National Association of Employers, Inc.	*Ball, LA.*	08/29/91
National Risk Transfer, Inc.	*Hockessin, DE.*	08/15/91
NBS National Benefit Services, Inc.	*Phoenix AZ.*	01/07/91
NIA Corporation(Doing Business as National Insurance Administrators Corporation)	*Lakewood, CO.*	05/10/91
North American Benefits Network, Inc.	*Cleveland, OH.*	01/18/91
Oakmark of Tucson, Inc.	*Tucson, AZ.*	09/20/90
Pacific A & M, L.P.	*San Bruno, CA.*	09/12/90
Pacific Heritage Administrators,Inc.	*Portland , OR.*	09/20/90
Penn General Service Corporation	*Southfield, MI.*	09/12/90
Policyholder Service Corporation	*KansasCity, Missouri*	10/05/90
Professional Society Insurance Services, Inc. (Doing Business as PSIS, Inc.)	*Chicago, IL.*	04/23/91
Quorum Insurance Administrators, Inc.	*Diamond Bar, CA.*	11/08/90
R. H. Albert & Associates, Inc.	*Arlington Heights, IL.*	01/18/91
RBH Direct Group, Inc.	*Trevose, PA.*	07/11/91
Self-Insurance Administrators, Inc.	*Newlberia, LA.*	02/26/91
Southern Benefits Services, Inc. (Doing Business as MSC Benefit Services, Inc.)	*Birmingham, AL.*	06/17/91
Travelers Plan Administrators, Inc., The	*Hartford, CT.*	07/25/91
Trip Mate Insurance Agency, Inc.	*Kansas City, MO.*	04/23/91
Trusteed Plans Service Corporation	*Tacoma, WA.*	08/15/91
Union Life Services Corporation	*Little Rock, AR.*	10/17/90
W. J. Jones Administrative Services, Inc.	*Lake Success, NY.*	01/25/91
Woods & Grooms, Inc	*Columbus, IN.*	07/25/91
Zenith Administrators, Inc.	*Baltimore, MD.*	08/15/91

Companies Reinsured, Merged, Dissolved, Withdrawn, Cancelled, Redomesticated, Domesticated Or Placed In Permanent Receivership Between September 1, 1990 & August 31, 1991

Figure II-6

	Reinsured or Merged	Dissolved, Withdrawn or Cancelled	Redomesticated or Domesticated	Permanent Receivership*	Total
Texas Companies					
Stock Life	16	11		4	31
Stipulated Premium	2				2
Stock Fire & Casualty	1			1	2
Mutual Fire & Casualty				1	1
Lloyds		1		2	3
Fraternals				1	1
Health Maintenance Organizations	2	1			3
Third-Party Administrators		1			1
Local Mutual Aid	1				1
Local Mutual Burials	1				1
Total	23	14		9	46
Foreign Companies					
Stock Life	6	2	2	2	12
Stock Fire & Casualty	2	3	2	1	8
Stock Fire			1		1
Third-Party Administrators		6			6
Total	8	11	5	3	27
Grand Total	31	25	5	12	73

* The Certificate of Authority of a company that was placed in permanent receivership is not automatically cancelled. The receiver may at anytime cancel the Certificate of Authority. Only the companies that had their Certificates of Authority cancelled are included in this chart.

Companies Reinsured, Merged, Dissolved, Withdrawn, Redomesticated, Domesticated Or Placed In Permanent Receivership Between September 1, 1990 & August 31, 1991

Texas Companies

Advanced Benefits Life Insurance Company, Richardson, Texas, (Stock Life) reinsured by Champions Life Insurance Company, Richardson, Texas, (05/10/91)

Advantage Life Insurance Company, Dallas, Texas, (Stock Life) reinsured by American National Insurance Company, Galveston, Texas, (08/28/91)

American-World Life Insurance Company, The, Irving, Texas, (Stock Life) reinsured by Zale Life Insurance Company, Phoenix, Arizona, (12/28/90)

Americana Life Insurance Company, Houston, Texas, (Stock Life) placed in permanent receivership in Texas and license cancelled, (08/29/90*)

Broadway National Life Insurance Company, San Antonio, Texas, (Stock Life) reinsured by Transport Life Insurance Company, San Antonio, Texas, (09/18/90)

Cigna Health Network, Inc., Dallas, Texas, (Health Maintenance Organization) merged into Cigna Healthplan of Texas, Inc., Dallas, Texas, (01/03/91)

Clayton Life Insurance Company, Terrell, Texas, (Stipulated Premium) reinsured by Landmark Life Insurance Company, Brownwood, Texas, (02/26/91)

Commercial National Life Insurance Company, Dallas, Texas, (Stock Life) reinsured by Central Security Life Insurance Company, Richardson, Texas, (05/10/91)

Diversified Life Insurance Company, San Antonio, Texas, (Stock Life) merged into Unilife Insurance Company, Phoenix, Arizona, (08/07/91)

Entrepreneurial Life Insurance Company, Dallas, Texas, (Stock Life) voluntarily dissolved, (12/03/90)

Falcon Insurance Company, Zapata, Texas, (Stock Life) voluntarily dissolved, (12/12/90)

First American Southwest Life Insurance Company, Bedford, Texas, (Stock Life) reinsured by Enterprise Life Insurance Company, Arlington, Texas, (03/12/91)

Texas Companies

First National Indemnity Company, Cisco, Texas, (Stock Fire & Casualty) placed in permanent receivership in Texas and license cancelled, (09/13/90)

First Victoria Insurance Company, Victoria, Texas, (Stock Life) voluntarily dissolved, (12/03/90)

Fort Worth Lloyds, Fort Worth, Texas, (Lloyds) voluntarily dissolved, (05/27/91)

Gibson National Life Insurance Company, Dallas, Texas, (Stock Life) placed in permanent receivership in Texas and license cancelled, (05/01/89) *

Great National Life Insurance Company, Dallas, Texas, (Stock Life) voluntarily dissolved, (12/07/90)

Hill Country Life Insurance Company, Austin, Texas, (Stock Life) merged into Hill Country Life Insurance Company of Texas, Austin, Texas, (12/31/90)

Lloyds, Texas, Dallas, Texas, (Lloyds) placed in permanent receivership in Texas and license cancelled, (01/19/89) *

Maxicare San Antonio, Inc., San Antonio, Texas, (Health Maintenance Organization) merged into Maxicare North Texas, Inc., Denton, Texas, (12/07/90)

Maxicare North Texas, Inc., Denton, Texas, (Health Maintenance Organization) commenced Chapter 11 bankruptcy, license cancelled, (12/07/90)

Meridian Life Insurance Company, San Antonio, Texas, (Stock Life) voluntarily dissolved, (05/27/91)

National Atlas Life Insurance Company, Irving, Texas, (Stock Life) reinsured by Zale Life Insurance Company, Phoenix, Arizona, (12/28/90)

NCNB Life Insurance Company, Dallas, Texas, (Stock Life) merged into Superior Life Insurance Company, Florence, South Carolina, (12/31/90)

NCNB Texas Life Insurance Company, Dallas, Texas, (Stock Life) merged into Superior Life Insurance Company, Florence, South Carolina, (12/31/90)

New Era Life Insurance Company, Houston, Texas, (Stock Life) merged into State Reserve Life Insurance Company, San Antonio, Texas, (05/06/91)

Regent Life Insurance Company, Plano, Texas, (Stock Life) placed in permanent receivership in Texas and license cancelled, (05/30/91)

Reserve Life Insurance Company, Dallas, Texas, (Stock Life) merged into Midland National Life Insurance Company, Sioux Falls, South Dakota, (10/17/90)

Schreiner Life Insurance Company, Kerrville, Texas, (Stock Life) reinsured by Transport Life Insurance Company, Fort Worth, Texas, (12/31/90)

Southern General Life Insurance Company of Texas, Irving, Texas, (Stock Life) placed in permanent receivership in Texas and license cancelled, (10/03/89*)

Southwest American Lloyds Insurance Company, Dallas, Texas, (Lloyds) placed in permanent receivership in Texas and Charter was purchased and renewed by The Prudential Lloyds, (09/20/90)

Southwest First Community Life Insurance Company, Dallas, Texas, (Stock Life) voluntarily dissolved, (12/07/90)

Sunrise Life Insurance Company, North Richland Hills, Texas, (Stock Life) voluntarily dissolved, (06/17/91)

Texas Bancorp Life Insurance Company, San Antonio, Texas, (Stock Life) reinsured by Western Reinsurance Company, San Antonio, Texas, (08/29/91)

Texas Employers Insurance Association, Dallas, Texas, (Mutual Fire & Casualty) placed in permanent receivership in Texas and license cancelled, (05/02/91)

United Travelers Insurance Company, Waco, Texas, (Fraternal) placed in permanent receivership in Texas and license cancelled, (05/16/91)

University National Credit Life Insurance Company, San Antonio, Texas, (Stock Life) reinsured by American National Insurance Company, Galveston, Texas, (11/26/90)

USAA Casualty Insurance Company, San Antonio, Texas, (Stock Fire & Casualty) merged into USAA Casualty Insurance Company of Florida, Tampa, Florida, (12/31/90)

USAA Life Insurance Company of Texas, San Antonio, Texas, (Stock Life) voluntarily dissolved, (06/28/91)

Viscount Life Insurance Company, Victoria, Texas, (Stock Life) voluntarily dissolved, (12/07/90)

Waller Insurance Company, Crockett, Texas, (Local Mutual Aid) reinsured by Mission American Life Insurance Company, Houston, Texas, (05/01/91)

Warren Employee Benefits Company, Inc., Dallas, Texas, (Third Party Administrator) no longer involved in Third Party Administrator business in Texas, (04/09/91)

Western Casualty Life Insurance Company, Fort Worth, Texas, (Stipulated Premium) reinsured by Western Fidelity Insurance Company, Baton Rouge, Louisiana, (12/28/90)

Westlane Insurance Company, Houston, Texas, (Stock Life) voluntarily dissolved, (06/17/91)

WFC Insurance Company, Austin, Texas, (Stock Life) voluntarily dissolved, (05/27/91)

Wichita County Burial Association, Wichita Falls, Texas, (Local Mutual Burial) reinsured by Edwards Funeral Service Life Insurance Company, Woodville, Texas, (04/23/91)

Foreign Companies

Agway Indemnity Insurance Company, Lexington, Kentucky, (Stock Fire & Casualty) merged into Oxford Indemnity Insurance Company, Wyoming (not licensed in Texas), (07/03/91)

Alliance Indemnity Company, Oklahoma City, Oklahoma, (Stock Fire & Casualty) voluntarily withdrew, (07/03/91)

American General Life Insurance Company of Oklahoma, Oklahoma City, Oklahoma, (Stock Life) merged into Life and Casualty Insurance Company of Tennessee, Nashville, Tennessee, (12/07/90)

American Guaranty Life Insurance Company, Portland, Oregon, (Stock Life) placed in liquidation in Oregon therefore license cancelled in Texas, (05/06/91)

American Home Security Life Insurance Company, The, Artesia, New Mexico, (Stock Life) merged into Security National Life Insurance Company, Salt Lake City, Utah, (02/26/91)

American Independence Life Insurance Company, Jefferson City, Missouri, (Stock Life) placed in permanent ancillary receivership in Texas and license cancelled, (07/03/91)

American Institute of Management Services, Inc., Winston - Salem, North Carolina, (Third Party Administrator) no longer involved in Third-Party Administrator business in Texas, (05/27/91)

American Protectors Insurance Company, Salt Lake City, Utah, (Stock Life) placed in permanent ancillary receivership in Texas and license cancelled, (03/28/91)

American Reserve Insurance Company, Providence, Rhode Island, (Stock Fire & Casualty) placed in receivership in Rhode Island therefore license cancelled in Texas, (12/31/90)

American Universal Insurance Company, Providence, Rhode Island, (Stock Fire & Casualty) placed in permanent ancillary receivership in Texas and license cancelled, (05/10/91)

Ammest Life Insurance Company, Phoenix, Arizona, (Stock Life) merged into Academy Life Insurance Company, Denver, Colorado, (04/09/91)

Amoco Life Insurance Company, Omaha, Nebraska, (Stock Life) merged into NACOLAH Life Insurance Company of Texas, Dallas, Texas, (02/01/91)

Caledonian Insurance Company, London, England, (Stock Fire) domesticated to New York, (12/12/90)

Colonia Insurance Company (U S Branch), New York, New York, (Stock Fire & Casualty) domestication of the U.S. Branch to New York, New York, (02/26/91)

Continental Insurance Service, Inc., Brentwood, Tennessee, (Third Party Administrator) no longer involved in Third-Party Administrator business in Texas, (06/17/91)

Financial Dynamics Administrators, Inc., Salt Lake City, Utah, (Third-Party Administrator) no longer involved in Third-Party Administrator business in Texas, (06/17/91)

Health Corporation of America, Berwyn, Pennsylvania, (Third Party Administrator) no longer involved in Third-Party Administrator business in Texas, (06/17/91)

Liberty American Assurance Company, Lincoln, Nebraska, (Stock Life) merged into Roosevelt National Life Insurance Company of America, Springfield, Illinois, (01/25/91)

Lytle Associates Healthcare Reimbursement Corp., Grand Island, New York, (Third Party Administrator) no longer involved in Third-Party Administrator business in Texas, (06/17/91)

Management Corporation of America, Newport, Arkansas, (Third Party Administrator) no longer involved in Third-Party Administrator business in Texas, (03/12/91)

NEM Re-insurance Corporation, New York, New York, (Stock Fire & Casualty) placed in liquidation in New York therefore license cancelled in Texas, (12/31/90)

New England Insurance Company, Boston, Massachusetts, (Stock Fire & Casualty) redomesticated to Hartford, Connecticut, (02/26/91)

Northwestern Security Life Insurance Company, Wilkesboro, North Carolina, (Stock Life) placed in liquidation in North Carolina therefore license cancelled in Texas, (06/06/91)

PM Group Life Insurance Co., Newport Beach, California, (Stock Life) redomesticated to Phoenix, Arizona, (02/26/91)

Preserver Assurance Company, The, Bohemia, New York, (Stock Fire & Casualty) merged into Philadelphia Insurance Company, Wynnewood, Pennsylvania, (07/25/91)

Summit National Life Insurance Company, Akron, Ohio, (Stock Life) redomesticated to Broomall, Pennsylvania, (01/18/91)

United Health and Life Insurance Company, Phoenix, Arizona, (Stock Life) merged into AMS Life Insurance Company (Assumed Name of American Mid States Life Insurance Company), Phoenix, Arizona, (03/12/91)

* Company was actually placed in permanent receivership in Texas in previous fiscal year(s), however, Company License did not receive notification until current fiscal year.

Companies That Have Changed Name, Moved Home Office Or Been Re-classified Between September 1, 1990 & August 31, 1991

Texas Companies

American Southwest Life Insurance Company, Houston, Texas, (Stock Life) moved home office to Austin, Texas, (04/09/91)

Amlife Insurance Company, West Columbia, Texas, (Stock Life) moved home office to Lake Jackson, Texas, (11/02/90)

Bonneville-Texas Insurance Company, Dallas, Texas, (Stock Fire & Casualty) changed name to The Cascade Insurance Company, (12/27/90)

Central Banc Life Insurance Company, Waco, Texas, (Stock Life) changed name to National Fidelity & Security Insurance Company, (07/11/91)

Central Lloyds, Amarillo, Texas, (Lloyds) moved home office to Dallas, Texas, (12/12/90)

Colonial Casualty Insurance Company, Fort Worth, Texas, (Stock Fire & Casualty) moved home office to Dallas, Texas, (02/19/91)

Czech Catholic Union of Texas (K. J. T.), La Grange, Texas, (Fraternal) changed name to Catholic Union of Texas, The K.J.T., (12/27/90)

Diamond Life Insurance Company, Fort Worth, Texas, (Stock Life) changed name and moved home office to Southwest Vision Service Plan Insurance Company, Rockwall, Texas, (09/20/90)

Family Service Life Insurance Company, Houston, Texas, (Stock Life) moved home office to Dallas, Texas, (11/30/90)

First American Dental Benefits, Inc., Irving, Texas, (Health Maintenance Organization) moved home office to Dallas, Texas, (09/12/90)

First Continental Life & Accident Insurance Co. of Texas, Houston, Texas, (Stock Life) moved home office to Amarillo, Texas, (03/28/91)

Garfield Farm Mutual Insurance Association, Ecleto, Texas, (Farm Mutual) moved home office to Karnes City, Texas, (11/13/90)

Goetha Farm Mutual Fire Insurance Association of Texas, Inc., Round Rock, Texas, (Farm Mutual) changed name to Texas Pioneer Farm Mutual Insurance Association, Inc., (05/01/91)

Great American Reserve Insurance Company, Dallas, Texas, (Stock Life) moved home office to Amarillo, Texas, (12/31/90)

Hill Country Life Insurance Company of Texas, Austin, Texas (Stock Life) changed name to Hill Country Life Insurance Company, (12/31/90)

Insurance Company of the Prairie States, Austin, Texas, (Stock Fire & Casualty) moved home office to Lubbock, Texas, (04/09/91)

International Service Insurance Company, Fort Worth, Texas, (Stock Fire & Casualty) moved home office to Tyler, Texas, (06/17/91)

John Knox Villages of Lubbock, Inc. (Doing Business as John Knox Village of Lubbock), Lubbock, Texas, (Continuing Care Retirement Community) changed name to Carillon, Inc., (05/17/91)

Kilpatrick Life Insurance Company, Arlington, Texas, (Stock Life) moved home office to Longview, Texas, (08/29/91)

LIC Life Insurance Company, Dallas, Texas, (Stock Life) moved home office to Amarillo, Texas, (12/31/90)

Management Underwriters Corporation, Bedford, Texas, (Third Party Administrator) moved home office to Richardson, Texas, (01/25/91)

McDonald Life Insurance Company, Waco, Texas, (Stock Life) moved home office to Dallas, Texas, (03/01/91)

Metlife Healthcare Network of Texas, Inc., Dallas, Texas, (Health Maintenance Organization) moved home office to Houston, Texas, (04/09/91)

Partners National Health Plans, Irving, Texas, (Third Party Administrator) changed name to Aetna Health Management, (05/01/91)

Preferred Risk Lloyds Insurance Company, Duncanville, Texas, (Lloyds) moved home office to Arlington, Texas, (05/10/91)

RDI Life Insurance Company, Fort Worth, Texas, (Stock Life) changed name and moved home office to Pacific Life and Accident Insurance Company, Austin, Texas, (12/27/90)

Reliance Lloyds, Dallas, Texas, (Lloyds) moved home office to San Antonio, Texas, (07/25/91)

Sentinel American Life Insurance Company, Houston, Texas, (Stock Life) moved home office to Dallas, Texas, (08/29/91)

Southern Title Guaranty Co., Inc., Austin, Texas, (Title) changed name to Fidelity National Title Insurance Company of Texas, (12/07/90)

State Reserve Life Insurance Company, San Antonio, Texas, (Stock Life) changed name and moved home office to New Era Life Insurance Company, Houston, Texas, (05/06/91)

Texas American Life Insurance Company, Fort Worth, Texas, (Stock Life) changed name to Team Life Insurance Company, (10/15/90)

Transamerica Insurance Company of Texas, Hye, Texas, (Stock Fire & Casualty) moved home office to Dallas, Texas, (06/17/91)

Union Standard Insurance Company, Dallas, Texas, (Stock Fire & Casualty) changed name and moved home office to Gan North American Insurance Company, Houston, Texas, (12/18/90)

United Group Insurance Company, Irving, Texas, (Stock Life) moved home office to Dallas, Texas, (02/01/91)

West Texas Fidelity Life Insurance Company, Lubbock, Texas, (Stock Life) moved home office to Waco, Texas, (05/27/91)

Western Casualty Life Insurance Company of Texas, Fort Worth, Texas, (Stipulated Premium) changed name and moved home office to Bluebonnet Life Insurance Company, Plano, Texas, (07/03/91)

Foreign Companies

Agricultural Insurance Company, Pierre, South Dakota, (Stock Fire & Casualty) redomesticated by way of charter amendment to Cincinnati, Ohio, (02/26/91)

American Combined Life Insurance Company, Lincoln, Nebraska, (Stock Life) changed name to Federated Investors Life Insurance Company, (07/25/91)

American General Group Insurance Company of Florida, Jacksonville, Florida, (Stock Life) changed name to Anthem Life Insurance Company of Florida, (09/20/90)

American General Group Services Corporation, Jacksonville, Florida, (Third Party Administrator) changed name to Anthem Group Services Corporation, (11/28/90)

American Insurance Company, The, Parsippany, New Jersey, (Stock Fire & Casualty) redomesticated by way of charter amendment to Omaha, Nebraska, (11/08/90)

American Mutual Fire Insurance Company of Charleston, S. C., The, Charleston, South Carolina, (Mutual Fire & Casualty) changed name and converted to Unisun Insurance Company, Stock Fire & Casualty, (02/26/91)

American National Fire Insurance Company, Lake Success, New York, (Stock Fire & Casualty) moved home office to New York, New York, (10/10/90)

Amerisure Life Insurance Company, Detroit, Michigan, (Stock Life) changed name and redomesticated by way of charter amendment to U.S. Financial Life Insurance Company, Cincinnati, Ohio, (04/09/91)

AMS Life Insurance Company (Assumed Name of American Mid States Life Insurance Company), Oak Brook Terrace, Illinois, (Stock Life) redomesticated by way of charter amendment to Phoenix, Arizona, (02/26/91)

AMS Life Insurance Company (Assumed Name of American Mid States Life Insurance Company), Phoenix, Arizona, (Stock Life) changed name to AMS Life insurance Company, (04/11/91)

Anvil Insurance Company, Irvine, California, (Stock Fire & Casualty) changed name and moved home office to Peoples Insurance Company, Rancho Cordova, California, (08/29/91)

Associates Life Insurance Co., Indianapolis, Indiana, (Stock Life) changed name to Anthem Life Insurance Company of Indiana, (10/17/90)

Assured Investors Life Company, Los Angeles, California, (Stock Life) moved home office to Modesto, California, (08/21/91)

ATL Life Insurance Company (Assumed Name of American Travellers Life Insurance Company), Warrington, Pennsylvania, (Stock Life) moved home office to Bensalem, Pennsylvania, (05/27/91)

Bankers Multiple Line Insurance Company, Des Moines, Iowa, (Stock Fire & Casualty) redomesticated by way of charter amendment to Chicago, Illinois, (04/23/91)

Bond Investors Guaranty Insurance Company, Springfield, Illinois, (Stock Casualty) changed name to MBIA Insurance Corp. of Illinois, (12/07/90)

C.P.A. Insurance Company, Detroit, Michigan, (Stock Casualty) moved home office to West Bloomfield, Michigan, (05/10/91)

Celtic Life Insurance Company, Providence, Rhode Island, (Stock Life) redomesticated by way of charter amendment to Chicago, Illinois, (04/09/91)

Central Reserve Life of North America Insurance Company, Berea, Ohio, (Stock Life) changed name and moved home office to Central Reserve Life Insurance Company, Strongsville, Ohio, (04/09/91)

Centurion Life Insurance Company, Raytown, Missouri, (Stock Life) moved home office to Kansas City, Missouri, (12/27/90)

Century Indemnity Company, Hartford, Connecticut, (Stock Fire & Casualty) moved home office to Bloomfield, Connecticut, (01/18/91)

Charles Paul Gauthier (Doing Business as Olympic Health Management Systems), Bellingham, Washington, (Third Party Administrator) changed name to Olympic Health Management Systems, (02/07/91)

Cimarron Life Insurance Company, Prairie Village, Kansas, (Stock Life) moved home office to Overland Park, Kansas, (11/08/90)

Commercial Insurance Company of Newark, New Jersey, Livingston, New Jersey, (Stock Fire & Casualty) moved home office to Cranbury, New Jersey, (07/25/91)

Constitution Life Insurance Company, Chicago, Illinois, (Stock Life) redomesticated by way of charter amendment to Louisville, Kentucky, (04/09/91)

Corroon & Black Benefits, Inc., Nashville, Tennessee, (Third Party Administrator) changed name to Corroon & Black Administrative Services, Inc., (05/01/91)

Countrywide Insurance Company, Irvine, California, (Stock Fire & Casualty) changed name and moved home office to Transamerica Countrywide Insurance Company, Woodland Hills, California, (02/26/91)

Crown America Life Insurance Company, Louisville, Kentucky, (Stock Life) redomesticated by way of charter amendment to Lansing, Michigan, (10/10/90)

Delta Life and Annuity Company, Little Rock, Arkansas, (Stock Life) redomesticated by way of charter amendment to Memphis, Tennessee, (11/08/90)

Doctors' Company, An Interinsurance Exchange, The, Santa Monica, California, (Reciprocal) moved home office to Napa, California, (07/25/91)

Equity National Life Insurance Company, Atlanta, Georgia, (Stock Life) redomesticated by way of charter amendment to Little Rock, Arkansas, (11/08/90)

Family Laws Assurance Company (Assumed Name of American Family Laws Life Assurance Company), Columbus, Georgia, (Stock Life) changed name to American Health and Security Insurance Company, Inc., (06/17/91)

First Continental Life & Accident Insurance Co., Salt Lake City, Utah, (Stock Life) moved home office to Midvale, Utah, (12/20/90)

First Horizon Insurance Company, St. Louis Park, Minnesota, (Stock Fire & Casualty) changed name to Classic Indemnity Company, (08/29/91)

Firstmark Standard Life Insurance Company, Indianapolis, Indiana, (Stock Life) changed name to Standard Life Insurance Company of Indiana, (10/05/90)

Foremost Insurance Company, Grand Rapids, Michigan, (Stock Fire & Casualty) changed name to Foremost Insurance Company, Grand Rapids, Michigan, (07/25/91)

Foremost Insurance Company, Grand Rapids, Michigan, Grand Rapids, Michigan, (Stock Fire & Casualty) moved home office to Caledonia, Michigan, (08/07/91)

Foremost Life Insurance Company, Grand Rapids, Michigan, (Stock Life) moved home office to Caledonia, Michigan, (07/03/91)

Fremont Indemnity Company, Los Angeles, California, (Stock Fire & Casualty) moved home office to Glendale, California, (04/09/91)

General Electric Equity Insurance Corporation, Raleigh, North Carolina, (Stock Fire & Casualty) changed name to Pinnacle Property and Casualty Insurance Corporation, (08/29/91)

General Electric Mortgage Reinsurance Corporation, Raleigh, North Carolina, (Stock Fire & Casualty) changed name to FG Insurance Corporation, (08/29/91)

General Electric Residential Mortgage Reinsurance Corporation, Raleigh, North Carolina, (Stock Fire & Casualty) changed name to Peak Property and Casualty Insurance Corporation, (08/29/91)

General Insurance Company of Trieste & Venice, The, Rome, Italy, (Stock Fire & Casualty) changed name to Generali United States Branch, (11/08/90)

Georgia International Life Insurance Company, Atlanta, Georgia, (Stock Life) moved home office to Marietta, Georgia, (04/09/91)

Grange Mutual Life Company, Nampa, Idaho, (Mutual Life) changed name to United Heritage Mutual Life Insurance Company, (05/14/91)

Great-West Life & Annuity Insurance Company, Lawrence, Kansas, (Stock Life) redomesticated by way of charter amendment to Englewood, Colorado, (12/12/90)

Harbor Insurance Company, Los Angeles, California, (Stock Fire & Casualty) changed name and moved home office to Greenwich Insurance Company, San Francisco, California, (07/25/91)

Humana Insurance Company, Jefferson City, Missouri, (Stock Life) moved home office to Kansas City, Missouri, (04/09/91)

Indianapolis Life Pension and Insurance Company, Indianapolis, Indiana, (Stock Life) changed name to Vasa Life Insurance Company, (07/11/91)

International Cargo and Surety Insurance Company, Albuquerque, New Mexico, (Stock Fire & Casualty) changed name and redomesticated by way of charter amendment to Intercargo Insurance Company, Schaumburg, Illinois, (01/18/91)

International Insurance Company of Takoma Park, Maryland, The, Takoma Park, Maryland, (Mutual Fire & Casualty) moved home office to Silver Spring, Maryland, (11/28/90)

Investors Equity Insurance Company, Inc., Newport Beach, California, (Stock Casualty) moved home office to Los Angeles, California, (07/25/91)

James Group Service, Inc., Chicago, Illinois, (Third Party Administrator) changed name to Sedgwick James Group Service, Inc., (02/01/91)

Jefferson National Life Insurance Company, Indianapolis, Indiana, (Stock Life) moved home office to Carmel, Indiana, (08/07/91)

Keystone Provident Life Insurance Company, Providence, Rhode Island, (Stock Life) changed name to Keyport Life Insurance Company, (12/31/90)

La Interamericana, S. A. Compania De Seguros, Mexico City, Mexico, (Mexican Casualty) changed name to Seguros Interamericana Independencia, S.A., (12/12/90)

Life of MidAmerica Insurance Company, Des Moines, Iowa, (Stock Life) changed name to UHC Insurance Company (Assumed Name of United Health and Life Insurance Company), (02/13/91)

London Pacific Life & Annuity Company, Greensboro, North Carolina, (Stock Life) moved home office to Raleigh, North Carolina, (07/25/91)

Maccabees Life Insurance Company, Southfield, Michigan, (Stock Life) changed name to Royal Maccabees Life Insurance Company, (02/07/91)

Maine Fidelity Life Insurance Company, Portland, Maine, (Stock Life) changed name to The Manufacturers Life Insurance Company (U.S.A.), (03/12/91)

Marquette National Life Insurance Company, Chicago, Illinois, (Stock Life) redomesticated by way of charter amendment to Louisville, Kentucky, (04/09/91)

Midwest Life Insurance Company, The, Omaha, Nebraska, (Stock Life) redomesticated by way of charter amendment to Metairie, Louisiana, (11/08/90)

NBS National Benefit Services, Inc., Phoenix, Arizona, (Third Party Administrator) changed name to Avesis Incorporated, (03/12/91)

NN Investors Life Insurance Company, Inc., Cedar Rapids, Iowa, (Stock Life) changed name to PFL Life Insurance Company, (01/18/91)

North Atlantic Casualty and Surety Insurance Company, Inc., Indianapolis, Indiana, (Stock Fire & Casualty) changed name to Vasa North Atlantic Insurance Company, (08/07/91)

Philadelphia Insurance Company, Wynnewood, Pennsylvania, (Stock Fire & Casualty) changed name to Philadelphia Indemnity Insurance Company, (07/25/91)

Policyholder Service Corporation, Kansas City, Missouri, (Third Party Administrator) changed name to Vantage Computer Systems, Inc., (07/11/91)

Presbyterian Ministers' Fund, Philadelphia, Pennsylvania, (Mutual Life) changed name to Covenant Life Insurance Company, (11/28/90)

Progress Life & Accident Insurance Company, Tulsa, Oklahoma, (Stock Life) changed name and moved home office to MDPhysicians Insurance Company, Oklahoma City, Oklahoma, (07/25/91)

Progressive Northwestern Insurance Company, Bellevue, Washington, (Stock Fire & Casualty) moved home office to Bothell, Washington, (01/18/91)

Providential Life Insurance Company, North Little Rock, Arkansas, (Stock Life) moved home office to Little Rock, Arkansas, (10/25/90)

Rocky Mountain States Insurance Company (Assumed Name of Mountain States Insurance Company), Kalispell, Montana, (Stock Fire) moved home office to Bigfork, Montana, (04/09/91)

Royal Exchange Assurance of America, Inc., New York, New York, (Stock Fire & Casualty) changed name to Fortress Insurance Company of America, (10/05/90)

Safeco Life Insurance Company, Seattle, Washington, (Stock Life) moved home office to Redmond, Washington, (12/21/90)

Safeco National Life Insurance Company, Seattle, Washington, (Stock Life) moved home office to Redmond, Washington, (12/21/91)

Security Assurance Company, Scottsdale, Arizona, (Stock Life) moved home office to Phoenix, Arizona, (07/25/91)

Security Trust Life Insurance Company, Macon, Georgia, (Stock Life) redomesticated by way of charter amendment to Louisville, Kentucky, (08/07/91)

Seguros Del Atlantico, S.A., Mexico City, Mexico, (Mexican Casualty) changed name to Seguros Olmeca, S.A., (02/26/91)

Smith-Sternau Organization, Inc., Washington, D.C., (Third Party Administrator) changed name and moved home office to Seabury & Smith, Inc., New York, New York, (02/01/91)

State Automobile and Casualty Underwriters, Inc., Des Moines, Iowa, (Stock Fire & Casualty) changed name and redomesticated by way of charter amendment to NAU Country Insurance Company, Anoka, Minnesota, (03/12/91)

Sterling Investors Life Insurance Company, Lakeland, Florida, (Stock Life) moved home office to St. Petersburg, Florida, (08/21/91)

Summit National Life Insurance Company, Broomall, Pennsylvania, (Stock Life) moved home office to Lancaster, Pennsylvania, (05/27/91)

Teledyne Life Insurance Company, Los Angeles, California, (Stock Life) changed name and moved home office to Unitrin Life Insurance Company, Chatsworth, California, (04/11/91)

Trans-General Life Insurance Company, Chevy Chase, Maryland, (Stock Life) moved home office to Bethesda, Maryland, (07/25/91)

Transport Insurance Company, Des Moines, Iowa, (Stock Fire & Casualty) redomesticated by way of charter amendment to Cincinnati, Ohio, (02/07/91)

U.S. Guardian Health Insurance Company, Largo, Florida, (Stock Life) changed name and redomesticated by way of charter amendment to The Mega Life and Health Insurance Company, Oklahoma City, Oklahoma, (02/26/91)

Union Standard Insurance Company of Oklahoma, Inc., Oklahoma City, Oklahoma, (Stock Fire & Casualty) changed name to Union Standard Insurance Company, (01/25/91)

United Founders Life Insurance Company, Oklahoma City, Oklahoma, (Stock Life) changed name and redomesticated by way of charter amendment to Glenbrook Life Insurance Company, Northbrook, Illinois, (07/25/91)

United World Life Insurance Company, Chicago, Illinois, (Stock Life) redomesticated by way of charter amendment to Omaha, Nebraska, (10/17/90)

USAA Casualty Insurance Company of Florida, Tampa, Florida, (Stock Fire & Casualty) changed name to USAA Casualty Insurance Company, (03/22/91)

Washington Square Life Insurance Company, Philadelphia, Pennsylvania, (Stock Life) changed name to Providentmutual Life and Annuity Company of America, (05/01/91)

Western Casualty and Surety Company, The, Fort Scott, Kansas, (Stock Fire & Casualty) changed name and moved home office to Lincoln National Specialty Insurance Company, Topeka, Kansas, (10/05/90)

Western Reserve Life Assurance Co. of Ohio, Cleveland, Ohio, (Stock Life) moved home office to Columbus, Ohio, (06/17/91)

Westwood Insurance Company, Lisle, Illinois, (Stock Fire & Casualty) changed name and redomesticated by way of charter amendment to Wausau Business Insurance Company, Wausau, Wisconsin, (12/20/90)

Xerox Financial Services Life Insurance Company, Hazelwood, Missouri, (Stock Life) moved home office to St. Louis, Missouri, (06/17/91)

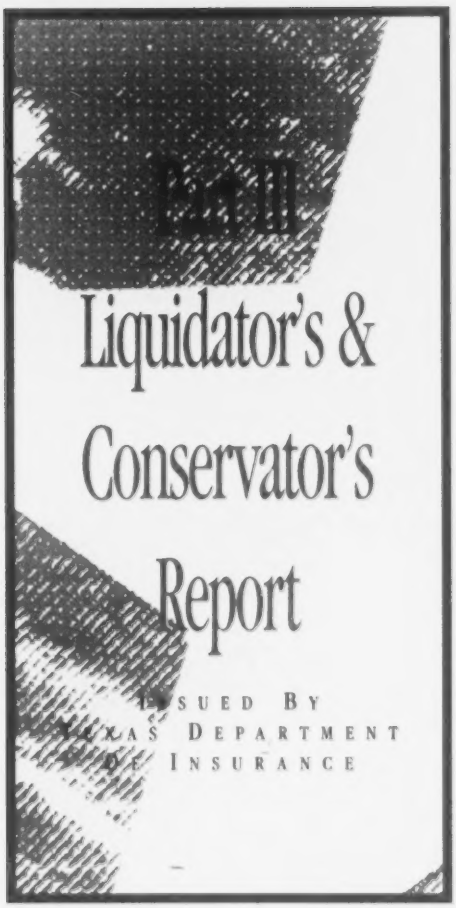
Companies That Had Their Certificate Of Authority Suspended In Texas Between September 1, 1990 & August 31, 1991

Texas Companies

Physicians and Patients Association, Inc., Houston, Texas, (Health Maintenance Organization) Certificate of Authority suspended in Texas for one year, (01/18/91)

Foreign Companies

Midwest Life Insurance Company, The, Metairie, Louisiana, (Stock Life) Certificate of Authority suspended in Texas, (04/10/91)


Liquidator's &
Conservator's
Report
ISSUED BY
TEXAS DEPARTMENT
OF INSURANCE

Summary of Supervisions: September 1, 1990 through August 31, 1991

Figure III-1

Domestic	Existing	New	FY 1991 Year-End Balances
Stock Life	4	9	6
Stipulated Premium	1	2	0
Surplus Lines Insurers	0	0	0
Local Mutual Aid Associations	0	0	0
Fire and/or Casualty	1	9	1
Lloyd's	1	5	1
Title	0	2	1
Unauthorized Insurers	0	0	0
Managing General Agents	0	0	0
Agencies	0	0	0
Reciprocal	0	1	0
Fraternal	0	0	0
County Mutual	0	2	1
Health Maintenance Organization	0	1	0
Foreign	0	2	1
Totals	7	33	11

Summary of Conservatorships: September 1, 1990 through August 31, 1991

Figure III-2

Domestic	Existing	New	FY 1991 Year-End Balances
Stock Life	3	0	0
Stipulated Premium	0	1	1
Surplus Lines Insurers	0	0	0
Local Mutual Aid Associations	1	0	1
Fire and/or Casualty	1	6	3
Lloyd's	0	2	1
Title	2	0	1
Unauthorized Insurer	0	0	0
Managing General Agents	0	1	1
Agencies	0	0	0
Reciprocal	0	1	1
Fraternal	1	0	1
County Mutual	1	0	0
Health Maintenance Organization	0	1	1
Foreign	1	1	2
Totals	10	*13	13

Twelve supervisions were referred to conservatorship.

Insurance Companies in Conservatorship or Under Supervision by Fiscal Year

Figure III-3

FY	No. at Beginning	No. Rec'd. During Year	Reinsured and Dissolved	Ceased Business Dissolved	In Receivership	Released to Management	Other Changes	Year-End Balances
1976	17	5	4	1	5	7		
1977	5	16	0	0	5	5		
1978	10	15	0	2	2	6		
1979	12	15	0	1	3	12		
1980	8	6	0	0	1	4		
1981	9	11	0	0	1	7		
1982	11	10	0	1	3	8		
1983	7	12	0	0	7	9		
1984	3	12	0	0	3	4		
1985	5	19	0	1	5	4		
1986	12	21	0	0	5	4		
1987	14	58	0	0	14	7		
1988	42	33	1	3	19	10	9	33
1989	33	49	1	5	21	23	16	32
1990	32	31	5	6	20	15	16	17
1991	17	34	0	2	11	14	12	24

**FY 91: Twelve entities moved from Supervision to Conservatorship.*

Receiverships by Fiscal Year: New Receiverships/Receiverships Closed

Figure III-4

Fiscal Year	Balance Receiverships Beginning	New Receiverships	Receiverships Closed
1980	52	1	4
1981	49	8	7
1982	50	11	19
1983	42	13	0
1984	55	3	3
1985	55	20	1
1986	74	19	2
1987	91	18	1
1988	108	25	2
1989	131	40	14
1990	157	33	28
1991	162	18*	26

As of August 31, 1991 — 154 Active Receiverships

** Includes two domestic companies that were placed in receivership briefly but were released prior to the entry of a temporary injunction.*

Lawsuits Pending
Liquidation Division 1980 - 1991

Figure III-5

Fiscal Year Ending	New Lawsuits	Closed Lawsuits	Pending Lawsuit
1980	111	70	406
1981	8	106	308
1982	29	120	217
1983	69	17	269
1984	31	26	274
1985	150	119	305
1986	203	89	419
1987	167	148	438
1988	227	131	534
1989	296	254	576
1990	399*	270*	705*
1991	485	385	805

** Corrected Numbers*

Companies in Supervision
at Beginning of Fiscal Year 1991

Figure III-6

Commissioner's Order No.	Dated	Company Name
90-1194	7/12/90	Commodore Insurance Company
90-1195	7/12/90	Commodore Life Insurance Company
90-1230	7/19/90	Legal Security Life Insurance Company
90-1364	8/16/90	Bankers Protective Life Insurance Company
90-1393	8/20/90	Legal Protective Life Insurance Company
90-1424	8/28/90	American Guardian Insurance. Underwriters
90-1581	10/01/90	Preferred Bankers Life Insurance Company

Companies in Conservatorship
at Beginning of Fiscal Year 1991

Figure III-7

Commissioner's Order No.	Dated	Company Name
88-0586	5/18/88	Capital Title Company
89-0135	2/06/89	Confidential
89-1896	12/15/89	Pacific Standard Life /California
90-0476	4/03/90	International Life Insurance Company
90-0593	4/30/90	Texas Employers' Insurance Association
90-0643	5/14/90	Ethiopian Mutual Life
90-0720	5/30/90	National Benefit Life Insurance Company
90-0977	6/28/90	First American Title/El Paso
90-1228	7/18/90	Commodore County Mutual
90-1307	8/07/90	Professional Benefits Insurance Company

Companies Placed in Supervision Between September 1, 1990 and August 31, 1991

Figure III-8

Commissioner's Order No.	Dated	Company Name
90-1460	9/07/90	Southern Lloyds
90-1616	10/09/90	Sir Lloyd's Insurance Company
90-1617	10/09/90	Standard Financial Indemnity Corporation
90-1686	10/22/90	Equity American Insurance Company
90-1713	10/29/90	Old American County Mutual Fire
90-1745	11/06/90	Provident American Insurance Company
90-1791	11/12/90	Union Pacific Insurance Company
90-1891	11/28/90	Indemnity Underwriters Lloyds
90-1923	12/05/90	Independent State Life
90-2003	12/18/90	Texas Builders Insurance Company
91-0001	1/02/91	United Title Company
91-0002	1/02/91	Republic Bankers Life Insurance Company
91-0030	1/09/91	Combined Underwriters Life
91-0084	1/21/91	The Midwest Life Insurance Company
91-0199	2/11/91	The Cascade Insurance Company
91-0384	3/21/91	Bell Indemnity Company, Inc.
91-0476	4/08/91	Delta Lloyds Insurance Company of Houston
91-0618	4/22/91	Food Industry Insurance Exchange
91-0698	5/06/91	International Service Insurance Company
91-0751	5/14/91	Physicians and Patients Association
91-0777	5/21/91	General Life & Accident Insurance Company
91-0824	6/14/91	Ensign Life Insurance Company
91-0901	6/24/91	Empire Lloyds Insurance Company
91-0902	6/24/91	Kilpatrick Life Insurance Company
91-0904	6/28/91	Custom Security Mutual Life
91-0906	6/28/91	The Cascade Insurance Company
91-1009	7/16/91	Alpha Life Insurance Company
91-1010	7/16/91	American Union Life Insurance Company
91-1012	7/18/91	Bonneville Insurance Company
91-1014	7/19/91	Confidential
91-1101	8/01/91	Confidential
91-1102	8/01/91	Comco Insurance Company
91-1229	8/20/91	First Fidelity Life Insurance Company

Companies Placed in Conservatorship Between September 1, 1990 and August 31, 1991

Figure III-9

Commissioner's Order No.	Dated	Company Name
90-2004	12/20/90	Equity American Insurance Company
91-0003	1/03/91	Sir Lloyd's Insurance Company
91-0004	1/03/91	Standard Financial Indemnity
91-0125	2/01/91	Indemnity Underwriters Lloyds
91-0200	2/11/91	Texas Builders, Inc.
91-0382	3/20/91	The Midwest Life Insurance Company
91-0477	4/08/91	Texas Preferred General Agency
91-0755	5/17/91	Bell Indemnity Company, Inc.
91-0821	6/14/91	Food Industry Insurance. Exchange
91-0903	6/24/91	Physicians & Patients Association, Inc.
91-0967	7/03/91	International Service Life Insurance. Company
91-1006	7/12/91	The Cascade Insurance Company
91-1016	7/25/91	General Life & Accident Insurance. Company

Companies Released and/or Terminated from Supervision Between September 1, 1990 and August 31, 199

Figure III-10

Commissioner's Order No.	Dated	Company Name
90-1581	10/01/90	Preferred Bankers Life Insurance Company
90-1638	10/15/90	Commodore Life Insurance Company
90-1687	10/25/90	Commodore Insurance Company
90-1732	11/02/90	American Guardian Underwriters
90-1746	11/08/90	Legal Protective Life Insurance Company
90-1850	11/26/90	Legal Security Life Insurance Company
90-1980	12/18/90	Bankers Protective Life Insurance Company
90-2032	12/21/90	Independent State Life Insurance Company
90-2063	12/28/90	Old American County Mutual Fire
91-0036	1/11/91	Union Pacific Insurance Company
91-0046	1/14/91	Southern Lloyds Insurance Company
91-0167	2/07/91	Provident American Insurance Company
91-0329	3/07/91	Combined Underwriters Life Insurance. Company
91-0575	4/12/91	Republic Bankers Life Insurance Company
91-0756	5/17/91	United Title Company
91-0778	5/22/91	The Cascade Insurance Company
91-0817	6/10/91	Delta Lloyds Insurance Company

Companies Released and/or Terminated from Conservatorship Between September 1, 1990 and August 31, 1991

Figure III-11

Commissioner's Order No.	Dated	Company Name
90-1522	9/20/90	National Benefit Life Insurance Company
90-1618	10/10/90	International Life Insurance Company
90-1670	10/19/90	Professional Benefits Insurance Company
91-0168	2/07/91	Texas Employers' Insurance Association
91-0427	3/22/91	First American Title/El Paso
91-0478	4/09/91	Commodore County Mutual
91-0579	4/18/91	Indemnity Underwriters Lloyds
91-0749	5/10/91	Texas Builders Insurance Company
91-0811	6/04/91	Equity American Insurance Company
91-1180	8/07/91	International Service Insurance Company

Insurance Companies and Affiliates in Receivership as of August 31, 1991

Receivership Name	Date of Receivership	District Court
ADCO Fire & Casualty Company, Ltd.	2/04/83	250th
Allied Bankers Life Insurance Company	2/08/90	250th
Allied Fidelity Insurance Company	8/14/86	331st
Amalgamated Labor Life Insurance Company	10/09/89	299th
American Druggists' Insurance Company	6/19/86	200th
American Equitable Life Insurance Company	11/17/89	98th
American Group Life Insurance Company	10/03/90	53rd
American Guardian Insurance Company	10/18/90	53rd
American Independence Life Insurance Company	8/23/90	200th
American Mutual Liability Insurance Company	5/12/89	250th
American Pacer Insurance Company	8/01/90	167th
American Protectors Life Insurance Company	2/04/91	250th
American Real Estate Association	12/14/84	331st
American Sun Life Insurance Company	2/07/90	200th
American Teachers Life Insurance Company	4/20/89	353rd
American Underwriters Life Insurance Company	5/26/89	126th
American Universal Insurance Company	4/15/61	200th
Best Lloyds Insurance Company	4/14/88	299th
Bluff Farmers Mutual Insurance Company	5/24/88	98th
Buffalo Title of Houston	12/08/87	147th
Cadillac Insurance Company	2/14/90	250th
California Pacific Life Insurance Company	10/24/89	299th
Carriers Insurance Company	2/03/86	201st
Central Texas Health Plan, et al	11/30/87	353rd
Christian Organizations Medical Society, Inc.	9/16/85	353rd
Citizens National Assurance Company	11/02/87	261st
Columbus Insurance Company	2/13/85	126th
Commercial American Underwriters, Inc.	9/08/89	98th
Commercial Standard Insurance Company	1/16/85	167th
Commodore Insurance Company	10/05/90	261st
Commodore Life Insurance Company	8/29/90	201st
Consolidated Benefit Health Insurance Company	7/20/89	261st
Consolidated Savings Life Insurance Company	7/26/88	345th
Continental Bankers Life Insurance Company	8/19/86	200th
Contractors Insurance Exchange of Texas	9/18/87	299th
Cotton Belt Insurance Company	7/28/82	201st
Credit Guard Life Insurance Company	12/06/88	250th
Dexter Lloyds' Insurance Company	10/01/86	345th
Eagle Life Insurance Company	5/18/87	201st
Early American Insurance Company	1/22/85	250th
East Texas Health Plan, Inc.	2/02/88	126th

Receivership Name	Date of Receivership	District Court
Eastern Indemnity of Maryland	2/05/85	299th
Edison Insurance Company	3/26/91	299th
Edward Patterson Cude	5/04/87	345th
Empire Casualty Company	3/03/89	53rd
Ensign Life Insurance Company	8/06/91	353rd
Enterprise Insurance Corporation	2/25/87	299th
Equitable Exchange, Incorporated	11/17/82	200th
Equity American Insurance Company	5/16/91	126th
Essex Lloyds Insurance Underwriters	3/15/90	126th
Excalibur Insurance Company	10/01/84	331st
Excalibur Life Insurance Company	7/09/90	331st
Federal Title Company	1/26/88	200th
Financial Services/ Church of God - Houston	8/16/89	331st
First Columbia Life Insurance Company	11/18/88	331st
First Houston Title	2/15/89	250th
First National Indemnity Company	2/26/90	167th
First Service Life Insurance Company	12/01/88	53rd
First Southwest Lloyds & Brayton	7/14/89	167th
First Transcontinental Life Insurance Agency	12/21/88	200th
First United Life Insurance Company of America	3/30/81	250th
Galaxia Life Insurance Company	8/23/89	353rd
General Indemnity Insurance Company	7/20/89	345th
George Washington Life Insurance Company	7/12/91	353rd
Gibson National Life Insurance Company	1/04/89	126th
Great Atlantic Insurance Company	11/15//89	250th
Great Global Assurance Company of Arizona	4/02/86	201st
Great Southwest Life Insurance Company	3/07/90	261th
G.I.C. Insurance Company	5/16/89	53rd
Hermitage Health & Life Insurance Company	3/06/87	98th
Holland-America Lloyds	3/03/88	147th
Homeland Insurance Company	1/27/88	345th
Ideal Mutual Insurance Company of New York	1/14/85	126th
Indemnity Underwriters Lloyds	3/25/91	331st
Independent Bankers Life Insurance Company	7/13/84	53rd
Integrity Insurance Company	7/24/87	53rd
Intercontinental Insurance Company	4/23/90	250th
International Fidelity Life Insurance Company	11/19/87	53rd
International Life Insurance Company	9/26/90	201st
International Service Insurance Company	7/30/91	201st
Justice Life Insurance Company	8/09/90	147th
Kenilworth Insurance Company	4/26/82	250th

Receivership Name	Date of Receivership	District Court
Keystone Life Insurance Company	3/16/87	98th
Knickerbocker Life Insurance Company	5/05/89	200th
Legal Protective Life Insurnace Company	10/14/90	299th
Life of Indiana Insurance Company	7/25/90	98th
Lloyds of America Insurance Company	9/27/82	299th
Lloyds' Texas & Lloyd's Texas Underwriter, Inc.	6/02/88	201st
Lloyds' U.S.	5/16/90	261st
Lumbermens Life Insurance Company	3/03/89	353rd
McIngvale Associates General Agency, Inc.	8/21/75	201st
Metropolitan Trust Company of Hurst	12/07/81	167th
Midland Insurance Company	6/02/86	299th
Ministers Benefit Trust	11/05/80	200th
Mission Insurance Company	2/25/87	261st
Mission National Insurance Company	2/25/87	250th
Mobile County Mutual Insurance Company	8/21/75	201st
Mobile Insurance Company	8/21/75	201st
National Allied Insurance Company	9/08/86	299th
National Benefit Life Insurance Company	8/23/90	98th
National County Mutual Fire Insurance Company	10/24/88	201st
Norman Cowart	8/04/87	200th
North American Insurance Company	7/14/87	201st
North American Lloyds of Texas	5/23/89	147th
North Texas Title Company	3/28/88	147th
Ohio General Insurance Company	7/05/90	299th
Old National Insurance Company of Alabama	3/30/70	53rd
Old National Insurance Company of Texas	11/06/73	167th
Old World Society	8/12/87	250th
Pacific American Insurance Company	9/25/84	98th
Pacific Marine Insurance Company	9/07/89	261st
Paxton National Insurance Company	9/14/89	53rd
Phoenix Fidelity Life Insurance Company	7/14/78	200th
Phoenix Adjustment Service	6/26/78	200th
Preferred Employers Insurance Company	3/26/87	261st
Premier Group Services, Inc.	8/10/82	167th
Premier National Agency, Inc.	8/20/82	147th
Professional Mutual Insurance Company	12/14/87	126th

Receivership Name	Date of Receivership	District Court
Proprietor's Insurance Company	8/20/81	126th
Ray Medina	2/19/81	250th
S & H Insurance Company	7/11/85	331st
Security Southwest Life Insurance Company	11/30/89	331st
Signal Insurance Lloyds Company	11/06/86	98th
Southeast Indemnity Company	12/27/84	53rd
Southern General Life Insurance	4/12/89	98th
Southern International Insurance Company	1/12/88	261st
Southern Lloyds	10/22/90	200th
Southern National Life Insurance Company	11/07/89	167th
Southwest American Lloyds Insurance Company	3/15/90	98th
Stone Mountain Insurance Company	2/28/89	261st
Summit Title Company, Incorporated	10/26/87	53rd
Superior Lloyds Insurance Company	11/22/82	167th
Surety Insurance Company of California	10/04/84	331st
Texas Consumer Life Insurance Company	11/16/89	147th
Texas Employers' Insurance Association	2/01/91	201st
Texas Fidelity Life Insurance Company	3/10/86	331st
Texas Fire & Casualty Insurance Company	4/28/86	53rd
Texas Health Plans, Inc.	9/30/80	250th
Texas Independent School Systems	11/07/88	167th
Texas Insurance Company, et al	9/08/89	98th
Texas Investors Life Insurance Company	7/21/89	250th
Texas National Insurance Company	1/17/89	147th
Texas National Title Company., Inc.	7/05/89	126th
Texas Republic Title Company	9/25/85	261st
Texas Retailers Association	5/21/87	201st
Title USA Insurance Corporation	10/18/89	53rd
Transit Casualty Company	12/13/85	261st
Union Indemnity Insurance Company of New York	12/02/85	261st
United Bankers Life Insurance Company	10/08/82	147th
United Employers Insurance Company	8/26/85	53rd
U.S. Annuity Life Insurance Company	5/08/89	147th
Western Employers Insurance Company	5/30/91	147th
Western Heritage Life Insurance Company	4/07/88	126th
Western Preferred Casualty Company	6/19/86	167th

Assets, Liabilities, And Equity Balance (Net Of Restrictions And Allowances) Receiverships And Conservatorships

As of August 31, 1991 (Unaudited)

Receivership #:	190	192	201	205	209	209
Receivership Name:	Old Natl Ins Co of Alabama	Pioneer Casualty Co	National Bkrs Life Ins Co	Great Liberty Life Ins Co	Credit Factoring Inc.	Empire Life Ins. Co.
Assets:						
Cash In Bank\CD'S	375,027.00					
Receivables	117,860.57					
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	492,887.57	0.00	—0.00	0.00	0.00	0.00
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty						
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund						
Liquidator Fund						
Abandoned Property Fund						
Notes Payable	37,100.00					
Accounts Payable						
Total Liabilities	37,100.00	0.00	0.00	0.00	0.00	0.00
Equity Balance	455,787.57	0.00	0.00	0.00	0.00	0.00
Liabilities & Equity Balance	492,887.57	0.00	0.00	0.00	0.00	0.00

Receivership #:	213	231	232	233	246PAS	247
Receivership Name:	Old Natl Ins Co of Texas	Mobile Ins Co	Mobile County Mutual Ins Co	Mcingvale Assoc Gen Agcy	Phoenix Adj Serv	Phoenix Fidelity Life
Assets:						
Cash In Bank\CD'S	168,121.77	4,875,338.51	2,961,710.68	21,076.61	26,622.86	27,562.14
Receivables	79,529.44	24,750.21				
Investments		30,745.00				
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	247,651.21	4,930,833.72	2,961,710.68	21,076.61	26,622.86	27,562.14
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	123,043.00					1,393.69
Property & Casualty						
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	60,000.00			27,000.00		
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable		1,006,300.56				1,496,540.00
Total Liabilities	183,043.00	1,006,300.56	0.00	27,000.00	0.00	1,497,933.69
Equity Balance	64,608.21	3,924,533.16	2,961,710.68	-5,923.39	26,622.86	-1,470,371.55
Liabilities & Equity Balance	247,651.21	4,930,833.72	2,961,710.68	21,076.61	26,622.86	27,562.14

Receivership #:	248	249	251	253	254	256
Receivership Name:	General Prot Life	American Guar Life Ins Co	First American Surety Corp	Sociedad Mut Mexicana	Reserve Ins Co	Texas Health Plans Inc
Assets:						
Cash In Bank\CD'S						85,825.30
Receivables						
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	0.00	0.00	0.00	0.00	0.00	85,825.30
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						1,548,405.05
Property & Casualty						
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund						5,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable						1,406,851.00
Total Liabilities		0.00	0.00	0.00	0.00	2,960,256.05
Equity Balance	0.00	0.00	0.00	0.00	0.00	-2,874,430.75
Liabilities & Equity Balance	0.00	0.00	0.00	0.00	0.00	85,825.30

Receivership #:	257	258	259	260	263	266
Receivership Name:	Ministers Benefit Trust	United Capital Life Ins Co	Ray Medina & Union Fidelity	First United Life Ins Co	Proprietor's Ins Co	Metropolitan Trust Co
Assets:						
Cash In Bank\CD'S	18,424.18		35,774.14	29,676.02	18,999.85	497.46
Receivables						
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	18,424.18	0.00	35,774.14	29,676.02	18,999.85	497.46
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	297,495.79					
Property & Casualty			1,518,986.31		125,000.00	
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	23,000.00			633,016.90	781,948.00	5,000.00
Liquidator Fund						
Abandoned Property Fund	336,300.00					82,900.00
Notes Payable						24,594.93
Accounts Payable				21,922.35	91,519.70	1,594,539.16
Total Liabilities	656,795.79	0.00	1,518,986.31	654,939.25	998,467.70	1,707,034.09
Equity Balance	-638,371.61	0.00	-1,483,212.17	-625,263.23	-979,467.85	-1,706,536.63
Liabilities & Equity Balance	18,424.18	0.00	35,774.14	29,676.02	18,999.85	497.46

Receivership #:	267	269	270	272	273	274
Receivership Name:	Security Casualty Co	Kenilworth Ins Co	Cotton Belt Ins Co	Premier Natl Life Ins Co	Premier Group Services Inc	Premier Natl Agency Inc
Assets:						
Cash In Bank\CD'S		75,404.70	51,191.22	81,436.27	261.77	3.89
Receivables		16,793.04		555.40		
Investments						
Furniture & Equipment		25.00				
Computer Systems						
Real Estate						
Other Assets						
Total Assets	0.00	92,222.74	51,191.22	81,991.67	261.77	3.89
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty			26,333.00			
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund		1,502,020.14	671,278.10	289,787.89	9,000.00	7,500.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable					220,000.00	
Accounts Payable			1,845.87			
Total Liabilities	0.00	1,502,020.14	699,456.97	289,787.89	229,000.00	7,500.00
Equity Balance	0.00	-1,409,797.40	-648,265.75	-207,796.22	-228,738.23	-7,496.11
Liabilities & Equity Balance	0.00	92,222.74	51,191.22	81,991.67	261.77	3.89

Receivership #:	275	276	277	278	279	280
Receivership Name:	Lloyds of Amer Ins Co	Granite State Ins Co	United Bankers Life Ins Co	Equitable Exchange Inc	Superior Lloyds Ins Co	American Managers Inc
Assets:						
Cash In Bank\CD'S	669,540.73		1,330,679.69	511,757.80	223,533.93	
Receivables	439,665.30		321,641.17	77,649.92	468,501.34	
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	1,109,206.03	0.00	1,652,320.86	589,407.72	692,035.27	0.00
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty						
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	643,268.00		9,862,976.69	582,159.50	618,544.23	
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	150,690.64		3,501,778.69	330,576.08	627,677.62	
Total Liabilities	793,958.64	0.00	13,364,755.38	912,735.58	1,246,221.85	0.00
Equity Balance	315,247.39	0.00	-11,712,434.52	-323,327.86	-554,186.58	0.00
Liabilities & Equity Balance	1,109,206.03	0.00	1,652,320.86	589,407.72	692,035.27	0.00

Receivership #:	281	282	284	285	286	289
Receivership Name:	Adco Fire & Gas Inc Co	Colonial Title Inc	Florida General Life Ins Co	I M Dibease DBA Action Ins	Limestone Life Assoc	Independent Bkrs Life Ins Co
Assets:						
Cash In Bank\CD'S	242,018.12		6,579.17	662.13		2,543,435.94
Receivables						
Investments						4,024.00
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	242,018.12	0.00	6,579.17	662.13	0.00	2,547,459.94
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty	45,053.16					
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund						8,572,365.31
Liquidator Fund			7,500.00			
Abandoned Property Fund			4,700.00			
Notes Payable	29,537.58					
Accounts Payable	17,845.41		500.00			2,497,804.96
Total Liabilities	92,436.15	0.00	12,700.00	0.00	0.00	11,070,170.27
Equity Balance	149,581.97	0.00	-6,120.83	662.13	0.00	-8,522,710.33
Liabilities & Equity Balance	242,018.12	0.00	6,579.17	662.13	0.00	2,547,459.94

Receivership #:	291	292	293	294	296	297
Receivership Name:	Pacific Amer Ins Co	Excalibur Ins Co	Surety Ins Co of Calif	Independent Standard Ins Co	Amer Real Estate Assoc	Southeast Indem Corp
Assets:						
Cash In Bank\CD'S	193,633.55	287,734.22	351,212.10		2,794.96	739,901.64
Receivables					8,900.00	
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	193,633.55	287,734.22	351,212.10	0.00	11,694.96	739,901.64
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health					13,642,141.50	
Property & Casualty	318,844.00	148,599.31	20,642.00			234,939.89
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	3,636,613.89	1,687,000.00	685,500.00	43,582.21	70,500.00	830,000.00
Liquidator Fund						
Abandoned Property Fund					169,600.00	
Notes Payable						
Accounts Payable	9,890.05	84,425.13	10,429.31		87,191.73	4,110.55
Total Liabilities	3,965,347.94	1,920,024.44	716,571.31	43,582.21	13,969,433.23	1,069,050.44
Equity Balance	-3,771,714.39	-1,632,290.22	-365,359.21	-43,582.21	-13,957,738.27	-329,148.80
Liabilities & Equity Balance	193,633.55	287,734.22	351,212.10	0.00	11,694.96	739,901.64

Receivership #:	298	299	300	301	302	303
Receivership Name:	University Life Ins Co	Natl Investors Life Ins Co	Ideal Mutual Ins Co	Commercial Stdrd Ins Co	Early American Ins Co	Eastern Indem Co of Md
Assets:						
Cash In Bank\CD'S			707,917.77	5,979,084.51	210,107.03	129,068.62
Receivables				93,350.72	44,482.78	
Investments				1,010.00		
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	0.00	0.00	707,917.77	6,073,445.23	254,589.81	129,068.62
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty			5,213,663.00	2,675,272.59	298,732.00	750,000.00
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund			5,534,637.59	519,000.00	2,181,056.81	2,063,568.34
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable			3,243,738.20	11,482,100.24	245,051.21	206,569.29
Total Liabilities	0.00	0.00	13,992,038.79	14,676,372.83	2,724,840.02	3,020,137.63
Equity Balance	0.00	0.00	-13,284,121.02	-8,602,927.60	-2,470,250.21	-2,891,069.01
Liabilities & Equity Balance	0.00	0.00	707,917.77	6,073,445.23	254,589.81	129,068.62

Receivership #:	304	306	307	308	309	310
Receivership Name:	Columbus Ins Co	S.L. Wilkinson DBA Amer Ins	S&H Ins Co	United Employers Ins	Christian Org Med Society	G D Albright DBA J Young
Assets:						
Cash In Bank\CD'S	475,618.57		2,286.81	325,915.13	539,275.63	0.23
Receivables	15,841.67					
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	491,460.24	0.00	2,286.81	325,915.13	539,275.63	0.23
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health					4,747,633.00	
Property & Casualty	38,678.65			34,089.60		
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	2,337,000.00		9,500.00	1,155,000.00	80,000.00	
Liquidator Fund						
Abandoned Property Fund					202,000.00	
Notes Payable						
Accounts Payable	836,859.50		18,591.38	10,929.42	322,330.09	
Total Liabilities	3,212,538.15	0.00	28,091.38	1,200,019.02	5,351,963.09	0.00
Equity Balance	-2,721,077.91	0.00	-25,804.57	-874,103.89	-4,812,687.46	0.23
Liabilities & Equity Balance	491,460.24	0.00	2,286.81	325,915.13	539,275.63	0.23

Receivership #:	311	312	313	314	317	318
Receivership Name:	Texas Republic Title Co	Union Indem Ins Co of NY	Transit Casualty Co	Iowa Natl Mutual Ins Co	Carriers Ins Co	Amer Fidelity Fire Ins Co
Assets:						
Cash In Bank\CD'S	8,380.36	126,465.09	1,437,834.48		1,995,974.78	
Receivables			244,856.65			
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	8,380.36	126,465.09	1,682,691.13	0.00	1,995,974.78	0.00
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty		140,000.00	11,457,104.53		2,084,223.00	
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	25,000.00	403,000.00	14,523,472.00		3,469,000.00	
Liquidator Fund						
Abandoned Property Fund	62,200.00					
Notes Payable						
Accounts Payable	26,124.21		2,566.87		176.42	
Total Liabilities	113,324.21	543,000.00	25,983,143.40	0.00	5,553,399.42	0.00
Equity Balance	-104,943.85	-416,534.91	-24,300,452.27	0.00	-3,557,424.64	0.00
Liabilities & Equity Balance	8,380.36	126,465.09	1,682,691.13	0.00	1,995,974.78	0.00

Receivership #:	319	320	321	322	323	324
Receivership Name:	Texas Fidelity Life Ins Co	Great Global Assurance Co	Texas Fire Ins Co	Midland Ins Co	Amer Druggists Ins Co	Western Pref Casualty Co
Assets:						
Cash In Bank\CD'S	119,593.03	266,909.57	7,893,382.76	2,270,381.21	143,924.48	42,894.40
Receivables			4,566,416.07	15,000.00		
Investments			41,489.37			
Furniture & Equipment						
Computer Systems						
Real Estate	18,047.00		95,017.00			
Other Assets						
Total Assets	137,640.03	266,909.57	12,596,305.20	2,285,381.21	143,924.48	42,894.40
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty			2,465,844.00	8,018,457.29	150,000.00	
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	2,515,000.00	616,600.95	3,217,741.16	11,114,106.00	237,401.24	182,400.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	110,636.88	34,732.20	14,309,532.35	3,770.70	130.00	8,458.35
Total Liabilities	2,625,636.88	651,333.15	19,993,117.51	19,136,333.99	387,531.24	190,858.35
Equity Balance	-2,487,996.85	-384,423.58	-7,396,812.31	-16,850,952.78	-243,606.76	-147,963.95
Liabilities & Equity Balance	137,640.03	266,909.57	12,596,305.20	2,285,381.21	143,924.48	42,894.40

Receivership #:	325	326	327	328	329	330
Receivership Name:	Allied Fidelity Ins Co	California Life Ins Co	Continental Bkrs Life Ins Co	Natl Allied Ins Co	Dexter Lloyds Ins Co	Signal Ins Lloyds Co
Assets:						
Cash In Bank\CD'S	168,550.57		421,184.61	6,790,413.78	627,345.31	545,655.84
Receivables			75,010.62		19,979.59	
Investments				204,443.71		
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	168,550.57	0.00	496,195.23	6,994,857.49	647,324.90	545,655.84
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health			125,000.00			
Property & Casualty	2,950,104.16			4,650,917.82	981,790.00	775,000.00
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	2,037,500.00		7,782,569.35	5,245,066.40	1,903,322.87	600,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	8,440.46		26,922.68	11,305.67	8,342.77	1,678.50
Total Liabilities	4,996,044.62	0.00	7,934,492.03	9,907,289.89	2,893,455.64	1,376,678.50
Equity Balance	-4,827,494.05	0.00	-7,438,296.80	-2,912,432.40	-2,246,130.74	-831,022.66
Liabilities & Equity Balance	168,550.57	0.00	496,195.23	6,994,857.49	647,324.90	545,655.84

Receivership #:	331	332	334	335	336	337
Receivership Name:	Mission Ins Co	Mission Natl Ins Co	Enterprise Ins Co	Hermitage Health & Life	Keystone Life Ins Co	Preferred Emp Ins Co
Assets:						
Cash In Bank\CD'S	319,867.66	340,422.42	395,325.76	220,431.66	290,906.47	1,091,739.73
Receivables	67.24	36.00			1,711,609.65	557,477.07
Investments					6,413,095.93	
Furniture & Equipment					56,137.38	
Computer Systems						6,546.86
Real Estate						
Other Assets					310,539.32	
Total Assets	319,934.90	340,458.42	395,325.76	220,431.66	8,782,288.75	1,655,763.66
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health				40,000.00		
Property & Casualty	7,403,119.18	8,933,868.03	49,685.03			1,222,178.91
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	2,513,000.00	4,494,700.29	594,000.00	454,468.50	11,342,568.62	6,452,500.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable					917.12	
Accounts Payable	12,663,275.19	534.22			11,766,383.07	68,804.67
Total Liabilities	22,579,394.37	13,429,102.54	643,685.03	494,468.50	23,109,868.81	7,743,483.58
Equity Balance	-22,259,459.47	-13,088,644.12	-248,359.27	-274,036.84	-14,327,580.06	-6,087,719.92
Liabilities & Equity Balance	319,934.90	340,458.42	395,325.76	220,431.66	8,782,288.75	1,655,763.66

Receivership #:	338	340	341	342	343	344
Receivership Name:	Edward Patterson Cude, et al	Eagle Life Ins Co	Texas Retailers Association	No. American Ins Co	Integrity Ins Co	Norman Cowart et al
Assets:						
Cash In Bank\CD'S	541,002.57	755,097.81	31,479.26	289,906.53	874,139.62	239,008.87
Receivables	9,376.22	178,219.58				27,504.71
Investments	0.00	4,768.10				
Furniture & Equipment						
Computer Systems				3,688.11		
Real Estate						
Other Assets						
Total Assets	550,378.79	938,085.49	31,479.26	293,594.64	874,139.62	266,513.58
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health		150,000.00				6,287,431.29
Property & Casualty					7,298,500.00	
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	50,000.00	3,319,022.62	66,000.00	115,000.00	2,316,000.00	
Liquidator Fund	0.00					
Abandoned Property Fund	0.00					
Notes Payable	2,784.02					
Accounts Payable	1,298,539.19	332,434.90		276,168.68	2,000.00	11,922.24
Total Liabilities	1,351,323.21	3,801,457.52	66,000.00	391,168.68	9,616,500.00	6,299,353.53
Equity Balance	-800,944.42	-2,863,372.03	-34,520.74	-97,574.04	-8,742,360.38	-6,032,839.95
Liabilities & Equity Balance	550,378.79	938,085.49	31,479.26	293,594.64	874,139.62	266,513.58

Receivership #:	345	347	348	349	350	351
Receivership Name:	Ruth Mills Buford, et al	Professional Risk Management	Contractors Ins Exchange	Summit Title Co	Citizens Natl Assurance Co	International Fid Life Ins Co
Assets:						
Cash In Bank\CD'S	16,055.58		845,999.64	78,594.34	274,419.28	768,269.87
Receivables			229,770.43			20,000.00
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	16,055.58	0.00	,1,075,770.07	78,594.34	274,419.28	788,269.87
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	469,861.11					
Property & Casualty			1,360,480.99		3,906,332.60	
Title				30,100.00		
Assumptions Payable						
Loans Payable:						
Guaranty Fund			2,516,300.00	611,673.56	3,236,000.00	5,378,602.87
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable				768.19	81,386.12	479,280.31
Total Liabilities	469,861.11	0.00	3,876,780.99	642,541.75	7,223,718.72	5,857,883.18
Equity Balance	-453,805.53	0.00	-2,801,010.92	-563,947.41	-6,949,299.44	-5,069,613.31
Liabilities & Equity Balance	16,055.58	0.00	1,075,770.07	78,594.34	274,419.28	788,269.87

Receivership #:	352	353	354	355	357	358
Receivership Name:	Central Texas Health Plan	Farm & Ranch Life Ins Co	Buffalo Title of Houston	Professional Mutual Ins Co	Southern International	Federal Title Co
Assets:						
Cash In Bank\CD'S	438,451.62		93,866.37	337,298.47	419,173.32	6,478.01
Receivables			166,106.15			
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	438,451.62	0.00	259,972.52	337,298.47	419,173.32	6,478.01
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	3,217,355.00					
Property & Casualty				2,223,081.00		
Title						15,900.00
Assumptions Payable						
Loans Payable:						
Guaranty Fund			510,822.00	5,832,000.00	105,000.00	181,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	19,971.14		1,699,291.34	8,554.73	202,105.74	46,865,176.70
Total Liabilities	3,237,326.14	0.00	2,210,113.34	8,063,635.73	307,105.74	47,062,076.70
Equity Balance	-2,798,874.52	0.00	-1,950,140.82	-7,726,337.26	112,067.58	-47,055,598.69
Liabilities & Equity Balance	438,451.62	0.00	259,972.52	337,298.47	419,173.32	6,478.01

Receivership #:	359	360	361	362	363	364
Receivership Name:	Homeland Ins Co	East Texas Health Plan	Holland Amer Lloyds	Joseph Landis et al	North Texas Title Co	Wstrn Heritage Life Ins Co
Assets:						
Cash In Bank\CD'S	230,550.38	23,455.58	595,372.82		43,751.68	105,604.85
Receivables						
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	230,550.38	23,455.58	595,372.82	0.00	43,751.68	105,604.85
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health		930,789.00				
Property & Casualty	339,330.91					
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	877,500.00		355,000.00		768,000.00	1,515,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	7,553.89	22,049.74			585,034.82	
Total Liabilities	1,224,384.80	952,838.74	355,000.00	0.00	1,353,034.82	1,515,000.00
Equity Balance	-993,834.42	-929,383.16	240,372.82	0.00	-1,309,283.14	-1,409,395.15
Liabilities & Equity Balance	230,550.38	23,455.58	595,372.82	0.00	43,751.68	105,604.85

Receivership #:	365	366	368	369	370	371
Receivership Name:	Best Lloyds Ins Co	Bluff Farmers Mutual Ins Co	Lloyds Texas	Consol Savings Life Ins Co	TMIC Ins. Company	Ntl County Mut Fire Ins Co
Assets:						
Cash In Bank\CD'S	554,784.53	60,644.03	826,757.66	270,208.24		1,141,442.96
Receivables	485,234.63					10,814,674.13
Investments						31,237.75
Furniture & Equipment						
Computer Systems	2,590.00					
Real Estate						
Other Assets						5,594.00
Total Assets	1,042,609.16	60,644.03	826,757.66	270,208.24	0.00	11,992,948.84
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health				27,635.52		
Property & Casualty	6,436,000.00	11,000,000.00	833,098.44			8,367,624.00
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	7,420,000.00	203,000.00	1,680,000.00	730,000.00		31,589,734.40
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	5,766,240.90		626,603.64	51,062.01		1,062,360.66
Total Liabilities	19,622,240.90	11,203,000.00	3,139,702.08	808,697.53	0.00	41,019,719.06
Equity Balance	-18,579,631.74	-11,142,355.97	-2,312,944.42	-538,489.29	0.00	-29,026,770.22
Liabilities & Equity Balance	1,042,609.16	60,644.03	826,757.66	270,208.24	0.00	11,992,948.84

Receivership #:	373	374	375	376	377	379
Receivership Name:	Texas Indep School Systems	First Columbia Life Ins Co	First Service Life Ins Co	Credit Guard Life Ins Co	Texas Bus & Prof Assoc	First Trancont Life Ins Co
Assets:						
Cash In Bank\CD'S	151,185.84	392,326.55	246,081.17	19,012.24		154,876.67
Receivables			4,161,125.80			
Investments			4,339.00			
Furniture & Equipment			7,500.00			
Computer Systems						
Real Estate			293,600.00			
Other Assets			100.00			9,357.34
Total Assets	151,185.84	392,326.55	4,712,745.97	19,012.24	0.00	164,234.01
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	151,296.00	7,500.00	33,933,453.00			58,669.16
Property & Casualty						
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund		4,898,000.00	367,081.18	1,760,795.21		550,000.00
Liquidator Fund						
Abandoned Property Fund			100,000.00			
Notes Payable		561,931.00				
Accounts Payable	21,736.40	4,209,608.83	12,175,225.02	6,730,877.91		933.49
Total Liabilities	173,032.40	9,677,039.83	46,575,759.20	8,491,673.12	0.00	609,602.65
Equity Balance	-21,846.56	-9,284,713.28	-41,863,013.23	-8,472,660.88	0.00	-445,368.64
Liabilities & Equity Balance	151,185.84	392,326.55	4,712,745.97	19,012.24	0.00	164,234.01

Receivership #:	380	382	384	385	386	387
Receivership Name:	Gibson Nati Life Ins Co	Texas National Ins Co	First Houston Title Inc	Gulf Coast Ins Co	Stone Mountain Ins Co	Empire Casualty Co
Assets:						
Cash In Bank\CD'S	768,488.21	577,102.02	33,084.15		422,422.50	89,377.85
Receivables	913,234.99	50,709.83	4.34		208,221.62	
Investments	100,000.00					
Furniture & Equipment						
Computer Systems						
Real Estate	1,160,745.65					
Other Assets						
Total Assets	2,942,468.85	627,811.85	33,088.49	0.00	630,644.12	89,377.85
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	2,751,790.33					
Property & Casualty		228,544.00			3,062,000.00	505,715.00
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	6,790,462.42	322,000.00	31,085.28		1,180,000.00	598,000.00
Liquidator Fund						
Abandoned Property Fund			32,400.00			
Notes Payable	14,371.73					
Accounts Payable	209,718.29	5,820.69	22,168.75		11,447.16	
Total Liabilities	9,766,342.77	556,364.69	85,654.03	0.00	4,253,447.16	1,103,715.00
Equity Balance	-6,823,873.92	71,447.16	-52,565.54	0.00	-3,622,803.04	-1,014,337.15
Liabilities & Equity Balance	2,942,468.85	627,811.85	33,088.49	0.00	630,644.12	89,377.85

Receivership #:	388	390	391	392	393	394
Receivership Name:	Lumbermans Life Ins Co	Southern Gen Life Ins Co	Amer Teachers Life Ins Co	Knickerbocker Life Ins Co	U.S. Annuity Life Ins Co	Amer Mutual Liability Ins
Assets:						
Cash In Bank\CD'S	70,679.34	226,985.30	2,055,011.83	3,463,397.37	1,275,602.57	91,689.72
Receivables			797,681.93	4,687,976.90	49,514.94	
Investments				1,555,463.54		
Furniture & Equipment						
Computer Systems						
Real Estate			550,000.00	435,600.00		
Other Assets			2,500.00	1,272,220.00		
Total Assets	70,679.34	226,985.30	3,405,193.76	11,414,657.81	1,325,117.51	91,689.72
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health			13,478,960.95	12,879,350.00	179,911.00	
Property & Casualty						1,834,104.45
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	340,000.00	580,000.00	5,179,841.00	18,406,021.57	1,565,586.80	1,793,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable			162,917.45			
Accounts Payable		320,830.82	2,432,515.95	2,259,688.10	735,771.24	
Total Liabilities	340,000.00	900,830.82	21,254,235.35	33,545,059.67	2,481,269.04	3,627,104.45
Equity Balance	-269,320.66	-673,845.52	-17,849,041.59	-22,130,401.86	-1,156,151.53	-3,535,414.73
Liabilities & Equity Balance	70,679.34	226,985.30	3,405,193.76	11,414,657.81	1,325,117.51	91,689.72

Receivership #: Receivership Name:	395 GIC Ins Co	396 Americana Life Ins Co	397 North American Lloyds of Texas	398 American Underwriters	399 Confidence Life Ins. Co.	401 Christian Brotherhood
Assets:						
Cash In Bank\CD'S	549,476.31		611,086.63	70,895.44		
Receivables	344,612.16		2,215,146.65			
Investments	30,000.00					
Furniture & Equipment						
Computer Systems						
Real Estate			40,000.00			
Other Assets						
Total Assets	924,088.47	0.00	2,866,233.28	70,895.44	0.00	0.00
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	3,239,803.45					
Property & Casualty			7,909,703.00			
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	21,003,891.73		5,636,000.00	175,412.68		
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	3,053,293.09		253,373.34	19,342.57		
Total Liabilities	27,296,988.27	0.00	13,799,076.34	194,755.25	0.00	0.00
Equity Balance	-26,372,899.80	0.00	-10,932,843.06	-123,859.81	0.00	0.00
Liabilities & Equity Balance	924,088.47	0.00	2,866,233.28	70,895.44	0.00	0.00

Receivership #: Receivership Name:	402 Maxey Ins Agency, et al	403 Texas National Title Co	404 First Sthwst Lloyds	405 General Indemn Ins Co	406 Consolidated Benefit Health	407 Texas Investors Life Ins Co
Assets:						
Cash In Bank\CD'S		49,623.65	369,667.91	868,614.18	119,281.02	1,523,352.60
Receivables		1,312.38	385,679.85	437,940.78		582,756.00
Investments			237,544.00			
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	0.00	50,936.03	992,891.76	1,306,554.96	119,281.02	2,106,108.60
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health					209,011.00	6,112,742.00
Property & Casualty			1,837,475.00	2,426,958.00		
Title		1,586.59				
Assumptions Payable						
Loans Payable:						
Guaranty Fund		90,000.00	4,556,000.00	2,501,000.00	865,000.00	4,894,351.46
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable		191,029.93	26,159.09	121,680.81	3,818.01	345,455.72
Total Liabilities	0.00	282,616.52	6,419,634.09	5,049,638.81	1,077,829.01	11,352,549.18
Equity Balance	0.00	-231,680.49	-5,426,742.33	-3,743,083.85	-958,547.99	-9,246,440.58
Liabilities & Equity Balance	0.00	50,936.03	992,891.76	1,306,554.96	119,281.02	2,106,108.60

Receivership #:	408	409	410	411	413	414
Receivership Name:	Financial Svices-Houston	Galaxia Life Ins Co	United Trvlers Ins Co	Pacific Marine Ins Co	Texas Ins Co, et al	Paxton Nat Ins Co
Assets:						
Cash In Bank\CD'S	400,029.37	2,195,193.78	22.50	175,399.58	981,996.74	163,930.05
Receivables		538.81				
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	400,029.37	2,195,732.59	22.50	175,399.58	981,996.74	163,930.05
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health		6,208,923.00				
Property & Casualty				593,590.75	6,040,000.00	309,311.00
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	110,000.00	8,170,000.00		323,000.00	6,572,026.87	401,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	35,796.86	1,658,516.95		2,307.87	633,584.87	
Total Liabilities	145,796.86	16,037,439.95	0.00	918,898.62	13,245,611.74	710,311.00
Equity Balance	254,232.51	-13,841,707.36	22.50	-743,499.04	-12,263,615.00	-546,380.95
Liabilities & Equity Balance	400,029.37	2,195,732.59	22.50	175,399.58	981,996.74	163,930.05

Receivership #:	415	416	417	418	420	421
Receivership Name:	Amalgamated Labor Life	Regent Life Ins Co	Title USA Ins Corp	Cal Pacific Life Ins Co	S Natl Life & Americas Intl	Great Atlantic Ins Co
Assets:						
Cash In Bank\CD'S	129,256.06		7,152,699.79	289,190.11	4,497,939.23	34,806.88
Receivables			2,492,735.14		603,125.00	192.42
Investments						
Furniture & Equipment			10,577.00		30,405.00	
Computer Systems						
Real Estate			1,553,100.00			
Other Assets					18,000.00	
Total Assets	129,256.06	0.00	11,209,111.93	289,190.11	5,149,469.23	34,999.30
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	77,706.00			430,812.00	3,477,145.00	
Property & Casualty						95,000.00
Title			98,899,729.00			
Assumptions Payable						
Loans Payable:						
Guaranty Fund	391,999.82		5,769,000.00	1,043,000.00	8,995,000.00	57,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable			13,580,304.46	358.07	732,344.91	6,677.72
Total Liabilities	469,705.82	0.00	118,249,033.46	1,474,170.07	13,204,489.91	158,677.72
Equity Balance	-340,449.76	0.00	-107,039,921.53	-1,184,979.96	-8,055,020.68	-123,678.42
Liabilities & Equity Balance	129,256.06	0.00	11,209,111.93	289,190.11	5,149,469.23	34,999.30

Receivership #:	422	423	424	425	426	427
Receivership Name:	Tx Consumers Life Ins Co	American Equit Life & Fin Corp	Security SW Life Ins Co	American Sun Life Ins Co	Allied Bankers Life Ins Co	Cadillac Ins Co
Assets:						
Cash In Bank\CD'S	1,841,740.75	4,176,559.43	332,174.00	142,736.21	4,180,654.17	285,150.62
Receivables	476,924.94	544,052.20			580,552.13	
Investments					300,000.00	
Furniture & Equipment						
Computer Systems						
Real Estate	129,001.00					
Other Assets						
Total Assets	2,447,666.69	4,720,611.63	332,174.00	142,736.21	5,061,206.30	285,150.62
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	493,070.00	26,121,494.00		3,000.00	3,319,708.00	293,466.00
Property & Casualty						826,300.00
Title						
Assumptions Payable	51,556.00	370,252.00			349,288.00	
Loans Payable:						
Guaranty Fund	3,640,945.00	6,078,598.00		216,100.00	7,700,648.00	891,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	475,298.46	19,711,432.94	6,810,222.15		365,807.80	57,857.79
Total Liabilities	4,660,869.46	52,281,776.94	6,810,222.15	219,100.00	11,735,451.80	2,068,623.79
Equity Balance	-2,213,202.77	-47,561,165.31	-6,478,048.15	-76,363.79	-6,674,245.50	-1,783,473.17
Liabilities & Equity Balance	2,447,666.69	4,720,611.63	332,174.00	142,736.21	5,061,206.30	285,150.62

Receivership #:	428	429	430	431	432	433
Receivership Name:	First Nat Indemnity Co	Great SW Life Ins Co	SW American Lloyds Ins Co	Essex Lloyds Ins & Braniff	Intercont'l Ins Co	Underwriter's of Lloyds, US
Assets:						
Cash In Bank\CD'S	2,119,469.65	5,076,713.18	950,685.82	248,743.13	118,631.98	1,862,622.39
Receivables		87,285.99	1,308.40	22,985.72		629,830.85
Investments	38,945.30					
Furniture & Equipment						
Computer Systems						
Real Estate		1,700,000.00				
Other Assets	150.00					
Total Assets	2,158,564.95	6,863,999.17	951,994.22	271,728.85	118,631.98	2,492,453.24
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health		3,209,119.00				
Property & Casualty	1,846,612.43		2,976,000.00	1,904,335.00	150,000.00	8,617,365.33
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	2,216,000.00	19,186,499.36	1,950,000.00	950,000.00	130,000.00	3,400,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	22,659.05	436,343.90	957,741.79	40,635.09		14,503,831.12
[illegible]al Liabilities	4,085,271.48	22,831,962.26	5,883,741.79	2,894,970.09	280,000.00	26,521,196.45
Equity Balance	-1,926,706.53	-15,967,963.09	-4,931,747.57	-2,623,241.24	-161,368.02	-24,028,743.21
Liabilities & Equity Balance	2,158,564.95	6,863,999.17	951,994.22	271,728.85	118,631.98	2,492,453.24

Receivership #:	434	435	436	437	438	439
Receivership Name:	Ohio General Ins Co	Excalibur Life Ins Co	Petrosurance Casualty Co	Life of Indiana	American Pacer Ins Co	Justice Life Ins Co
Assets:						
Cash In Bank\CD'S	50,046.01	917,031.61	91.38	33,956.93	580,397.45	626,781.98
Receivables		131,339.00			218,222.99	
Investments					26,339.76	
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	50,046.01	1,048,370.61	91.38	33,956.93	824,960.20	626,781.98
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health		343,060.00		383,821.00		317,035.00
Property & Casualty	572,561.00				8,702,245.00	
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	108,000.00	1,410,000.00		811,657.00	8,061,000.00	652,176.86
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable		101,154.85			576,120.81	206,102.83
Total Liabilities	680,561.00	1,854,214.85	0.00	1,195,478.00	17,339,365.81	1,175,314.69
Equity Balance	-630,514.99	-805,844.24	91.38	-1,161,521.07	-16,514,405.61	-548,532.71
Liabilities & Equity Balance	50,046.01	1,048,370.61	91.38	33,956.93	824,960.20	626,781.98

Receivership #:	440	441	442	443	444	445
Receivership Name:	Nat Benefit Life Ins Co	American Independence	Commodore Life Ins Co	International Life Ins Co	American Group Life Ins Co	Commodore Ins Co
Assets:						
Cash In Bank\CD'S	1,488,552.10	51,733.44	346,508.88	447,341.89		1,250,494.66
Receivables	72,886.29			39,246.15		
Investments	169,416.00			2,000.00		100,000.00
Furniture & Equipment				1,315.00		
Computer Systems						
Real Estate						
Other Assets						
Total Assets	1,730,854.39	51,733.44	346,508.88	489,903.04	0.00	1,350,494.66
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	3,281,351.00		174,259.00	619,037.00		
Property & Casualty						
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	2,207,000.00	3,284,420.25	505,000.00	656,000.00		367,142.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						749,951.97
Accounts Payable	127,478.61	3,206.27	180,173.29	64,314.47		
Total Liabilities	5,615,829.61	3,287,626.52	859,432.29	1,339,351.47	0.00	1,117,093.97
Equity Balance	-3,884,975.22	-3,235,893.08	-512,923.41	-849,448.43	0.00	233,400.69
Liabilities & Equity Balance	1,730,854.39	51,733.44	346,508.88	489,903.04	0.00	1,350,494.66

Receivership #:	446	447	448	449	450	451
Receivership Name:	Legal Protective Life Ins Co	Amer Guardian Ins Co	Southern Lloyds	Ethiopian Mut Life Ins Co	Tx Emplorer's Ins Association	Amer Protectors Life Ins Co
Assets:						
Cash In Bank\CD'S	770,508.11	5,338,914.72	382,469.39		34,357,134.08	27,593.06
Receivables	8,968.00	1,279,009.00			80,000.00	
Investments						
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets	185.00					
Total Assets	779,661.11	6,617,923.72	382,469.39	0.00	34,437,134.08	27,593.06
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health	379,572.00					22,275.00
Property & Casualty		19,748,946.09	1,114,899.00		207,680,552 16	
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund	681,000.00	7,695,000.00	1,470,500.00		33,000,000.00	32,330.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable	305,879.48	72,851.26	181,816.62		4,245.08	662.01
Total Liabilities	1,366,451.48	27,516,797.35	2,767,215.62	0.00	240,684,797.14	55,267.01
Equity Balance	-586,790.37	-20,898,873.63	-2,384,746.25	0.00	-206,247,663.06	-27,673.95
Liabilities & Equity Balance	779,661.11	6,617,923.72	382,469.39	0.00	34,437,134.08	27,593.06

Receivership #:	452	453	454	455	456	457
Receivership Name:	Midwest Life Ins Co	Indemnity Underwriters	Edison Ins Co	Amer Universal Ins Co	Equity American Ins Co	Western Empl Ins Co
Assets:						
Cash In Bank\CD'S		575,707.32	166,379.79		494,141.86	193,189.52
Receivables		440,890.02			383,918.24	
Investments					116,398.82	100,000.00
Furniture & Equipment						
Computer Systems						
Real Estate						
Other Assets						
Total Assets	0.00	1,016,597.34	166,379.79	0.00	994,458.92	293,189.52
Liabilities and Equity Balance:						
Claims Payable:						
Accident & Health						
Property & Casualty		550,000.00	3,818,192.00	633,600.00	7,100,000.00	4,870,942.82
Title						
Assumptions Payable						
Loans Payable:						
Guaranty Fund		214,000.00	225,000.00		102,000.00	270,000.00
Liquidator Fund						
Abandoned Property Fund						
Notes Payable						
Accounts Payable		205,699.51	706.46	6,925.35		23,005.04
Total Liabilities	0.00	969,699.51	4,043,898.46	640,525.35	7,202,000.00	5,163,947.86
Equity Balance	0.00	46,897.83	-3,877,518.67	-640,525.35	-6,207,541.08	-4,870,758.34
Liabilities & Equity Balance	0.00	1,016,597.34	166,379.79	0.00	994,458.92	293,189.52

Receivership #: Receivership Name:	458 George Wash Life Ins Co	459 International Service Ins Co	460 Ensign Life Ins Co	Total Receiverships
Assets:				
Cash In Bank\CD'S		51,253.71		159,411,004.89
Receivables				43,760,789.76
Investments				9,511,260.28
Furniture & Equipment				105,959.38
Computer Systems				12,824.97
Real Estate				5,975,110.65
Other Assets				1,618,645.66
Total Assets	0.00	51,253.71	0.00	220,395,595.59
Liabilities and Equity Balance:				
Claims Payable:				
Accident & Health	1,060,004.00		10,000.00	154,835,527.84
Property & Casualty				400,450,525.33
Title				98,947,315.59
Assumptions Payable				771,096.00
Loans Payable:				
Guaranty Fund				418,253,468.92
Liquidator Fund				7,500.00
Abandoned Property Fund				990,100.00
Notes Payable				1,804,105.80
Accounts Payable	5,453.04			223,006,940.28
Total Liabilities	1,065,457.04	0.00	10,000.00	1,299,066,579.76
Equity Balance	-1,065,457.04	51,253.71	-10,000.00	-1,078,670,984.17
Liabilities & Equity Balance	0.00	51,253.71	0.00	220,395,595.59

NOTES:

1) Receiverships numbered 201, 205, 249, 253, 254, 258, 272, 280, 284, 285, 294, 298, 299, 306, 310, 314, 318, 326, 347, 353, 402, 416, 436, 444, 449, and 452 were closed by Court Order during the fiscal year ended 8/31/91.

2) During the period of Receivership closing, all liabilities of the Estates are written-off and the assets are distributed according to the court order.

3) The positive equity balance associated with receiverships 231, 232 and 408 represent cash to be distributed.

Cash Receipts, Disbursements and Cash Balances Receiverships and Conservatorships

AS OF
AUGUST 31, 1991
(UNAUDITED)

Receivership #: / Receivership Name:	190 Old Natl Ins Co of Alabama	192 Pioneer Casualty Co	201 National Bkrs Life Ins Co	205 Great Liberty Life Ins Co	209 Credit Factoring Inc.	209 Empire Life Ins. Co.
Cash Available 8/31/90	387,587.52	44,070.26	685.76	1,959.57	11,070.54	94.39
Cash Receipts:						
Funds on Date of Receivership						
Receivables		120.90				
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets			259.50	91.87		
Other Assets						
Loans Received, net	-19,000.00		9,500.00		-5,000.00	7,000.00
Premium Income						
Interest	12,456.95	4,141.82	130.33	50.96	344.85	91.07
Rent Income						
Recovered Expenses	1,600.00					
Miscellaneous Receipts						
Total Receipts	-4,943.05	4,262.72	9,889.83	142.83	-4,655.15	7,091.07
Total Cash Available and Cash Receipts 8/31/91	382,644.47	48,332.98	10,575.59	2,102.40	6,415.39	7,185.46
Cash Disbursements:						
Salaries and Benefits:	3,628.86		5,346.68			
Liquidation Division				891.91	46.78	3,459.53
Receivership / Company						
Contract Labor						4.42
Claims:						
Accident & Health						
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			4.42			
Professional Services:						
Auditing						
Accounting		120.90				
Actuarial						
Appraisal	503.00					
Consulting						
Legal	2,775.89					
Real Estate Services						
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity		238,125.35	3,203.98	915.76	6,341.52	3,249.77
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses			949.12	133.84	12.16	182.52
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	9.00					
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone			2.17			5.47
Travel						
Utilities						
Allocated Overhead	670.82		1,069.22	160.89	14.93	283.75
Miscellaneous Disbursements	29.90					
Total Disbursements	7,617.47	238,246.25	10,575.59	2,102.40	6,415.39	7,185.46
Net Changes in Restrictions	0.00	189,913.27	0.00	0.00	0.00	0.00
Cash Available 8/31/91	375,027.00	0.00	0.00	0.00	0.00	0.00

Receivership #: Receivership Name:	213 Old Natl Ins Co of Texas	231 Mobile Ins Co	232 Mobile County Mutual Ins Co	233 Mcingvale Assoc Gen Agcy	246PAS Phoenix Adj Serv	247 Phoenix Fidelity Life
Cash Available 8/31/90	103,924.70	3,896,125.04	2,566,472.43	357,030.49	26,438.85	68,427.96
Cash Receipts:						
Funds on Date of Receivership		98.79				
Receivables		70,529.28	15,000.00			
Litigation Settlement		107,481.79	228,398.82	0.00		
Securities						
Funds Held - Other		20.61		0.00	3.60	123.75
Sales of Fixed Assets						
Other Assets	60,000.00	-60,500.00			-1,000.00	-11,000.00
Loans Received, net						
Premium Income	5,390.65	327,059.07	165,898.94	0.00	1,229.61	2,145.54
Interest						
Rent Income						
Recovered Expenses		243.00				
Miscellaneous Receipts						
Total Receipts	65,390.65	444,932.54	409,297.76	0.00	233.21	-8,730.71
Total Cash Available and Cash Receipts 8/31/91	169,315.35	4,341,057.58	2,975,770.19	357,030.49	26,672.06	59,697.25
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division		15,276.92	13,875.57	5,400.61		1,906.89
Receivership / Company						
Contract Labor		1,678.08				
Claims:						
Accident & Health						
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense						
Professional Services:						
Auditing						
Accounting	720.00	1,270.00	1,549.00	854.00		
Actuarial						
Appraisal						
Consulting						
Legal	118.51	4,144.98	4,311.76	117.45		
Real Estate Services						
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						29,779.28
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes				2,970.00		
Interest						
Building Maintenance						
Computer Related Expenses		328.54	1,168.14	340.70		133.84
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	36.89	156.43			49.20	
Reproduction		4.00				
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	13.64	1.71	9.75	1.17		
Travel		4.80	4.80			
Utilities						
Allocated Overhead		2,853.61	2,236.24	926.89		315.10
Miscellaneous Disbursements	304.54		140.00	325,343.06		
Total Disbursements	1,193.58	25,719.07	23,295.26	335,953.88	49.20	32,135.11
Net Changes in Restrictions	0.00	560,000.00	9,235.75	0.00	0.00	0.00
Cash Available 8/31/91	168,121.77	4,875,338.51	2,961,710.68	21,076.61	26,622.86	27,562.14

Receivership #: Receivership Name:	248 General Prot Life	249 American Guar Life Ins Co	251 First American Surety Corp	253 Sociedad Mut Mexicana	254 Reserve Ins Co	256 Texas Health Plans Inc
Cash Available 8/31/90	522,418.17	42,733.82	832.12	6,444.79	23,567.71	90,825.66
Cash Receipts:						
Funds on Date of Receivership						
Receivables						
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets					2.81	74.25
Other Assets						
Loans Received, net		-8,500.00				
Premium Income						
Interest	16,865.93	1,394.15	21.01	129.42	980.62	4,211.99
Rent Income						
Recovered Expenses						
Miscellaneous Receipts						
Total Receipts	16,865.93	-7,105.85	21.01	129.42	983.43	4,286.24
Total Cash Available and Cash Receipts 8/31/91	539,284.10	35,627.97	853.13	6,574.21	24,551.14	95,111.90
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	444.69	4,903.52		2,019.12	4,069.51	7,403.78
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense						
Professional Services:						
Auditing						
Accounting				851.00		659.00
Actuarial						
Appraisal						
Consulting						
Legal						
Real Estate Services						
Judgments and Settlements				7.80		
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity	539,544.44	29,159.34	853.13	2,938.20	19,708.74	
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	85.18	498.90		352.88	97.34	316.38
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage						2.00
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	10.06				0.68	1.24
Travel						
Utilities						
Allocated Overhead	76.90	1,066.21		405.21	674.87	904.20
Miscellaneous Disbursements						
Total Disbursements	540,161.27	35,627.97	853.13	6,574.21	24,551.14	9,286.60
Net Changes in Restrictions	877.17	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	0.00	0.00	0.00	0.00	0.00	85,825.30

Receivership #: Receivership Name:	257 Ministers Benefit Trust	258 United Capital Life Ins Co	259 Ray Medina & Union Fidelity	260 First United Life Ins Co	263 Proprietor's Ins Co	266 Metropolitan Trust Co
Cash Available 8/31/90	4,750.97	92,236.88	41,054.98	100,198.66	42,871.39	3,811.50
Cash Receipts:						
Funds on Date of Receivership						
Receivables						
Litigation Settlement						
Securities	2,984.41					
Funds Held - Other						
Sales of Fixed Assets	10,301.38	129.76		12.89		
Other Assets						
Loans Received, net	5,000.00		-5,000.00	-55,000.00	-19,000.00	
Premium Income						
Interest	250.11	4,374.62	1,768.52	2,889.42	1,354.62	153.99
Rent Income						
Recovered Expenses						
Miscellaneous Receipts						
Total Receipts	18,535.90	4,504.38	-3,231.48	-52,097.69	-17,645.38	153.99
Total Cash Available and Cash Receipts 8/31/91	23,286.87	96,741.26	37,823.50	48,100.97	25,226.01	3,965.49
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	3,867.90	3,634.98	1,456.96	2,506.21	2,082.47	2,856.40
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense						
Professional Services:						
Auditing						
Accounting						
Actuarial						
Appraisal						
Consulting						
Legal	144.50	274.95		15,239.36	3,758.65	
Real Estate Services						
Judgments and Settlements			192.00			5.00
Foreign Receiver Expense						
General Creditor Paid		-11.20	11.20			
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity		97,664.22				
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	219.02	304.20	109.52	206.86	97.34	133.84
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	5.90	11.70		19.69	22.23	
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone		10.23		0.88	1.76	2.00
Travel						
Utilities						
Allocated Overhead	625.37	660.08	279.68	451.95	263.71	470.79
Miscellaneous Disbursements						
Total Disbursements	4,862.69	102,549.16	2,049.36	18,424.95	6,226.16	3,468.03
Net Changes in Restrictions	0.00	5,807.90	0.00	0.00	0.00	0.00
Cash Available 8/31/91	18,424.18	0.00	35,774.14	29,676.02	18,999.85	497.46

Receivership #: Receivership Name:	267 Security Casualty Co	269 Kenilworth Ins Co	270 Cotton Belt Ins Co	272 Premier Natl Life Ins Co	273 Premier Group Services Inc	274 Premier Natl Agency Inc
Cash Available 8/31/90	26,619.36	73,545.32	205,497.48	78,284.48	25.37	2,192.08
Cash Receipts:						
Funds on Date of Receivership			5,000.00			
Receivables				3,333.36		
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets	300.00			524.06		
Other Assets						
Loans Received, net		20,000.00	275,000.00		5,000.00	
Premium Income	150.18					
Interest	15.03	4,173.24	16,898.61	3,773.83	66.19	46.64
Rent Income						
Recovered Expenses						
Miscellaneous Receipts						
Total Receipts	465.21	24,173.24	296,898.61	7,631.25	5,066.19	46.64
Total Cash Available and Cash Receipts 8/31/91	27,084.57	97,718.56	502,396.09	85,915.73	5,091.56	2,238.72
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division		3,535.52	6,461.94	3,211.07	2,866.23	1,099.01
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty		18,557.72	523,078.00			
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense						
Professional Services:						
Auditing						
Accounting				725.00	1,476.00	875.00
Actuarial						
Appraisal						
Consulting						
Legal		180.00	113.61			
Real Estate Services						
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity	28,012.57					
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses		340.70	693.58	36.50	60.84	85.18
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage		20.00				
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone		22.96	57.91			
Travel						
Utilities						
Allocated Overhead		608.53	947.17	506.89	423.21	171.95
Miscellaneous Disbursements	30.00				3.51	3.69
Total Disbursements	28,042.57	23,265.43	531,352.21	4,479.46	4,829.79	2,234.83
Net Changes in Restrictions	958.00	951.57	80,147.34	0.00	0.00	0.00
Cash Available 8/31/91	0.00	75,404.70	51,191.22	81,436.27	261.77	3.89

Receivership #: Receivership Name:	275 Lloyds of Amer Ins Co	276 Granite State Ins Co	277 United Bankers Life Ins Co	278 Equitable Exchange Inc	279 Superior Lloyds Ins Co	280 American Managers Inc
Cash Available 8/31/90	659,931.82	23,428.35	1,287,040.92	352,539.49	210,299.88	173,297.74
Cash Receipts:						
Funds on Date of Receivership	1,549.83				1,609.82	
Receivables	6,718.83			117,000.00	8,369.79	
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets	6.75		21.51	43.31		
Other Assets						
Loans Received, net			-19,000.00	-2,000.00		-13,000.00
Premium Income						
Interest	31,454.00	901.32	68,189.92	18,263.41	10,292.11	6,232.62
Rent Income						
Recovered Expenses						
Miscellaneous Receipts				37,778.24		
Total Receipts	39,729.41	901.32	49,211.43	171,084.96	20,271.72	-6,767.38
Total Cash Available and Cash Receipts 8/31/91	699,661.23	24,329.67	1,336,252.35	523,624.45	230,571.60	166,530.36
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	3,604.94	559.56	4,185.50	9,577.14	3,973.65	2,261.47
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			2.21			
Professional Services:						
Auditing						
Accounting						721.00
Actuarial						
Appraisal						
Consulting						
Legal	25,488.80		431.50	0.00	1,973.74	38,951.34
Real Estate Services						
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity		23,494.15				124,059.94
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	146.02	97.34	243.36	571.90	170.36	146.02
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	22.00	38.40	22.50	13.00		
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	14.44		10.61	23.13		0.37
Travel						
Utilities						
Allocated Overhead	594.30	140.22	676.98	1,681.48	568.35	390.22
Miscellaneous Disbursements	250.00		0.00		351.57	
Total Disbursements	30,120.50	24,329.67	5,572.66	11,866.65	7,037.67	166,530.36
Net Changes in Restrictions	0.00	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	669,540.73	0.00	1,330,679.69	511,757.80	223,533.93	0.00

Receivership #: Receivership Name:	281 Adco Fire & Gas Inc Co	282 Colonial Title Inc	284 Florida General Life Ins Co	285 I M Dibease DBA Action Ins	286 Limestone Life Assoc	289 Independent Bkrs Life Ins Co
Cash Available 8/31/90	287,347.68	4,345.82	528.97	3,222.02	7,608.48	2,394,581.88
Cash Receipts:						
Funds on Date of Receivership						
Receivables						
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets						27.00
Other Assets						
Loans Received, net	-50,000.00		6,000.00			25,000.00
Premium Income						
Interest	8,590.51	196.22	52.65	87.35	234.15	130,527.49
Rent Income						
Recovered Expenses						
Miscellaneous Receipts						
Total Receipts	-41,409.49	196.22	6,052.65	87.35	234.15	155,554.49
Total Cash Available and Cash Receipts 8/31/91	245,938.19	4,542.04	6,581.62	3,309.37	7,842.63	2,550,136.37
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	3,132.58	394.27		1,863.25	1,203.97	4,086.67
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense						
Professional Services:						
Auditing						
Accounting						
Actuarial						
Appraisal						
Consulting						
Legal						1,709.83
Real Estate Services						
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity		3,251.93			6,394.26	
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	231.20	73.00		328.54	109.52	146.02
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage						3.45
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	13.52		2.45			3.33
Travel						
Utilities						
Allocated Overhead	542.77	75.79		455.45	134.88	579.91
Miscellaneous Disbursements						
Total Disbursements	3,920.07	3,794.99	2.45	2,647.24	7,842.63	6,529.21
Net Changes in Restrictions	0.00	-747.05	0.00	0.00	0.00	-171.22
Cash Available 8/31/91	242,018.12	0.00	6,579.17	662.13	0.00	2,543,435.94

Receivership #: Receivership Name:	291 Pacific Amer Ins Co	292 Excalibur Ins Co	293 Surety Ins Co of Calif	294 Independent Standard Ins Co	296 Amer Real Estate Assoc	297 Southeast Indem Corp
Cash Available 8/31/90	99,472.47	308,584.19	415,819.83	49,975.62	32.66	681,101.64
Cash Receipts:						
Funds on Date of Receivership		265.84				92.67
Receivables		33,878.36	10,000.00			14,715.05
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets				4.50	1.80	
Other Assets						
Loans Received, net	240,000.00	33,000.00			7,000.00	300,000.00
Premium Income						
Interest	4,555.14	14,655.37	17,920.80	1,146.82	2,539.97	23,057.13
Rent Income						
Recovered Expenses						841.46
Miscellaneous Receipts					51.60	
Total Receipts	244,555.14	81,799.57	27,920.80	1,151.32	9,593.37	338,706.31
Total Cash Available and Cash Receipts 8/31/91	344,027.61	390,383.76	443,740.63	51,126.94	9,626.03	1,019,807.95
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	18,643.63	5,294.27	7,412.04	4,598.34	3,730.95	20,899.90
Receivership / Company						
Contract Labor	80.00	36.73				
Claims:						
Accident & Health						
Property & Casualty	93,822.39	95,671.69	80,872.00			252,087.77
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense		3.85				871.27
Professional Services:						
Auditing						
Accounting						
Actuarial						
Appraisal						
Consulting						
Legal	33,709.66	104.19	2,111.15			1,080.65
Real Estate Services						
Judgments and Settlements		113.00				
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity				50,120.80		
Notes Payable Paid						
Taxes			3.50			
Interest		3.85				
Building Maintenance						
Computer Related Expenses	949.12	438.06	584.06		328.54	1,362.82
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	93.17	109.80	210.19	0.75		51.09
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	41.64	18.92	14.35	1.81	6.16	21.16
Travel						
Utilities						
Allocated Overhead	2,954.45	855.18	1,321.24	898.00	343.67	3,531.65
Miscellaneous Disbursements	100.00					
Total Disbursements	150,394.06	102,649.54	92,528.53	55,619.70	4,409.32	279,906.31
Net Changes in Restrictions	0.00	0.00	0.00	4,492.76	-2,421.75	0.00
Cash Available 8/31/91	193,633.55	287,734.22	351,212.10	0.00	2,794.96	739,901.64

Receivership #: Receivership Name:	298 University Life Ins Co	299 Natl Investors Life Ins Co	300 Ideal Mutual Ins Co	301 Commercial Stdrd Ins Co	302 Early American Ins Co	303 Eastern Indem Co of Md
Cash Available 8/31/90	9,388.20	7,884.07	1,062,629.89	5,157,270.12	231,323.18	159,419.59
Cash Receipts:						
Funds on Date of Receivership						
Receivables				428,856.77		
Litigation Settlement						6,589.10
Securities						
Funds Held - Other						
Sales of Fixed Assets				97.87		
Other Assets						
Loans Received, net			-175,000.00	85,000.00	40,000.00	116,000.00
Premium Income						
Interest	322.04	289.74	57,422.39	416,020.78	10,405.81	31,955.17
Rent Income						
Recovered Expenses				476.32		
Miscellaneous Receipts				209,194.64		-1,981.27
Total Receipts	322.04	289.74	-117,577.61	1,139,646.38	50,405.81	152,563.00
Total Cash Available and Cash Receipts 8/31/91	9,710.24	8,173.81	945,052.28	6,296,916.50	281,728.99	311,982.59
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	2,514.01	921.36	26,808.52	41,495.85	18,286.28	39,740.25
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty			152,160.15	157,812.63	27,495.00	34,281.92
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			11,571.81	2,572.67		
Professional Services:						
Auditing						
Accounting				14,281.29		
Actuarial						
Appraisal						
Consulting						
Legal			27,590.81	14,205.20	19,402.94	40,484.98
Real Estate Services						
Judgments and Settlements					1,931.75	1,441.00
Foreign Receiver Expense						50,980.98
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity	6,236.94	6,859.77				
Notes Payable Paid						
Taxes						
Interest				11.55		
Building Maintenance						
Computer Related Expenses	340.70	158.18	1,776.54	7,541.18	1,143.80	3,115.04
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage			156.50	201.56	110.63	151.22
Reproduction						
Recovery Expenses				15,537.50		
Security Service Expense						
Storage						
Telephone	1.55	2.43	190.70	69.25	27.50	200.29
Travel			22.89			
Utilities						
Allocated Overhead	617.04	232.07	4,667.25	5,870.06	3,224.06	6,925.77
Miscellaneous Disbursements			10.00			
Total Disbursements	9,710.24	8,173.81	224,955.17	259,598.74	71,621.96	177,321.45
Net Changes in Restrictions	0.00	0.00	-12,179.34	-58,233.25	0.00	-5,592.52
Cash Available 8/31/91	0.00	0.00	707,917.77	5,979,084.51	210,107.03	129,068.62

Receivership #: Receivership Name:	304 Columbus Ins Co	306 S.L. Wilkinson DBA Amer Ins	307 S&H Ins Co	308 United Employers Ins	309 Christian Org Med Society	310 G D Albright DBA J Young
Cash Available 8/31/90	567,029.25	2,062.60	6,830.02	330,329.88	329,899.39	8.38
Cash Receipts:						
Funds on Date of Receivership						
Receivables	15,841.67				-2,984.41	
Litigation Settlement				10,000.00	200,000.00	
Securities						
Funds Held - Other						
Sales of Fixed Assets					63,501.18	
Other Assets						
Loans Received, net	-82,000.00			-18,000.00		3,000.00
Premium Income						
Interest	24,448.79	62.85	6,267.79	15,846.63	16,691.72	53.69
Rent Income						
Recovered Expenses						
Miscellaneous Receipts						
Total Receipts	-41,709.54	62.85	6,267.79	7,846.63	277,208.49	3,053.69
Total Cash Available and Cash Receipts 8/31/91	525,319.71	2,125.45	13,097.81	338,176.51	607,107.88	3,062.07
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	6,847.15		1,800.87	6,677.63	8,448.84	2,251.80
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty	35,024.04		1,250.00	3,612.23		
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	197.70			138.93		
Professional Services:						
Auditing						
Accounting					165.00	
Actuarial						
Appraisal						
Consulting						
Legal	5,999.03		1,294.94		23,421.20	
Real Estate Services						
Judgments and Settlements		-161.00				22.00
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust					71,295.72	
Distribution of Equity		2,248.69				61.37
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	486.72		133.84	669.24	425.88	194.68
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	55.52			24.72		27.68
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	6.07			37.84	0.29	0.54
Travel						
Utilities						
Allocated Overhead	1,084.91	37.76	326.73	1,100.79	1,053.47	503.77
Miscellaneous Disbursements						
Total Disbursements	49,701.14	2,125.45	4,806.38	12,261.38	104,810.40	3,061.84
Net Changes in Restrictions	0.00	0.00	-6,004.62	0.00	36,978.15	0.00
Cash Available 8/31/91	475,618.57	0.00	2,286.81	325,915.13	539,275.63	0.23

Receivership #: Receivership Name:	311 Texas Republic Title Co	312 Union Indem Ins Co of NY	313 Transit Casualty Co	314 Iowa Natl Mutual Ins Co	317 Carriers Ins Co	318 Amer Fidelity Fire Ins Co
Cash Available 8/31/90	1,087.04	187,556.22	3,465,296.27	64,776.76	451,979.32	17,593.90
Cash Receipts:						
Funds on Date of Receivership						
Receivables	9.96				1,565,449.00	
Litigation Settlement			136,203.38			
Securities						
Funds Held - Other						
Sales of Fixed Assets						
Other Assets						
Loans Received, net	10,000.00	15,000.00	-450,000.00	-33,800.98	150,000.00	500.00
Premium Income						
Interest	6,643.54	6,732.72	97,054.95	2,193.12	21,083.55	733.47
Rent Income						
Recovered Expenses						
Miscellaneous Receipts			-135.91			
Total Receipts	16,653.50	21,732.72	-216,877.58	-31,607.86	1,736,532.55	1,233.47
Total Cash Available and Cash Receipts 8/31/91	17,740.54	209,288.94	3,248,418.69	33,168.90	2,188,511.87	18,827.37
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	4,234.27	8,386.23	109,054.40	2,012.87	27,062.20	3,236.77
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						
Property & Casualty		60,000.00	1,302,487.33		115,208.17	201.00
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			38,811.97		1,437.56	
Professional Services:						
Auditing						
Accounting						
Actuarial						
Appraisal						
Consulting	165.00					
Legal	1,186.85	12,228.32	215,186.35		40,693.23	
Real Estate Services						
Judgments and Settlements			1,369.40		1,829.35	
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense	50,000.00					
A/P - Funds in Trust						
Distribution of Equity				30,405.75		14,594.91
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	255.54	985.62	10,391.56	316.38	1,521.02	219.02
Equipment Rental						
Insurance			110,863.00			
Moving			474.99		84.90	
Office Supplies						
Office Rent						
Postage		31.02	1,162.02		132.70	
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	12.83	5.89	576.61	0.35	41.40	2.17
Travel			106.64			
Utilities						
Allocated Overhead	519.64	1,186.77	20,076.44	433.55	4,710.46	573.50
Miscellaneous Disbursements	19.01		23.50			
Total Disbursements	56,393.14	82,823.85	1,810,584.21	33,168.90	192,720.99	18,827.37
Net Changes in Restrictions	47,032.96	0.00	0.00	0.00	183.90	0.00
Cash Available 8/31/91	8,380.36	126,465.09	1,437,834.48	0.00	1,995,974.78	0.00

Receivership #: / Receivership Name:	319 Texas Fidelity Life Ins Co	320 Great Global Assurance Co	321 Texas Fire Ins Co	322 Midland Ins Co	323 Amer Druggists Ins Co	324 Western Pref Casualty Co
Cash Available 8/31/90	120,295.00	270,380.86	6,947,135.13	344,184.84	65,329.54	53,079.68
Cash Receipts:						
Funds on Date of Receivership			6,456.86			
Receivables			962,468.57	75,000.00		
Litigation Settlement	10,000.00	4,000.00	207,981.30			
Securities					80,000.00	
Funds Held - Other			882.68			
Sales of Fixed Assets			173.25			
Other Assets						
Loans Received, net			75,556.68	1,985,606.00		35,000.00
Premium Income	289.01					
Interest	3,778.63	10,853.39	679,270.00	130,519.80	5,921.42	2,477.79
Rent Income						
Recovered Expenses						
Miscellaneous Receipts	-516.82		751.59	-135.91		
Total Receipts	13,550.82	14,853.39	1,920,627.21	2,190,989.89	85,921.42	37,477.79
Total Cash Available and Cash Receipts 8/31/91	133,845.82	285,234.25	8,867,762.34	2,535,174.73	151,250.96	90,557.47
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	7,619.34	6,255.41	64,123.61	56,656.88	5,737.22	4,949.66
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health	-186.00					
Property & Casualty		151.60	132,860.00	2,018,859.81		35,000.00
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense		355.10		62,070.60		
Professional Services:						
Auditing						
Accounting			83,316.13			
Actuarial						
Appraisal	2,000.00					
Consulting			78,622.50			
Legal	1,650.13	10,199.62	449,589.71	23,387.22	40.42	6,323.32
Real Estate Services	1,000.00					
Judgments and Settlements				-230.00		
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes	184.24					
Interest						
Building Maintenance						
Computer Related Expenses	462.38	352.88	4,915.92	5,025.42	620.58	547.56
Equipment Rental						
Insurance						
Moving				493.90		
Office Supplies						
Office Rent						
Postage	25.67	27.34	771.64	644.22		9.75
Reproduction			420.56	4.26		
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	44.88	3.58	152.37	197.87	5.69	8.07
Travel			103.52	308.32		
Utilities						
Allocated Overhead	1,231.15	979.15	10,593.16	9,980.73	937.87	824.71
Miscellaneous Disbursements	35.00			80.61	-15.30	
Total Disbursements	14,066.79	18,324.68	825,469.12	2,177,479.84	7,326.48	47,663.07
Net Changes in Restrictions	-186.00	0.00	-148,910.46	1,912,686.32	0.00	0.00
Cash Available 8/31/91	119,593.03	266,909.57	7,893,382.76	2,270,381.21	143,924.48	42,894.40

Receivership #: Receivership Name:	325 Allied Fidelity Ins Co	326 California Life Ins Co	327 Continental Bkrs Life Ins Co	328 Natl Allied Ins Co	329 Dexter Lloyds Ins Co	330 Signal Ins Lloyds Co
Cash Available 8/31/90	214,768.90	49,973.56	319,825.05	4,617,804.90	1,251,583.41	546,401.09
Cash Receipts:						
Funds on Date of Receivership						
Receivables				2,124,581.81	1,920.00	
Litigation Settlement	33,204.09		120,000.00			
Securities						
Funds Held - Other						
Sales of Fixed Assets				85.50		
Other Assets						
Loans Received, net	385,000.00		-15,533.87	1,335,000.00	-450,000.00	
Premium Income						
Interest	11,959.80	1,601.54	21,267.90	336,871.39	37,121.50	25,692.08
Rent Income						
Recovered Expenses				3,631.32		
Miscellaneous Receipts			85.00			
Total Receipts	430,163.89	1,601.54	125,819.03	3,800,170.02	-410,958.50	25,692.08
Total Cash Available and Cash Receipts 8/31/91	644,932.79	51,575.10	445,644.08	8,417,974.92	840,624.91	572,093.17
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	43,848.63	2,346.81	11,832.92	90,655.45	32,456.73	11,007.79
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health			-10.62			
Property & Casualty	412,367.19			1,342,340.53	112,899.61	11,220.06
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	-154.02		13.00	4,242.93		112.00
Professional Services:						
Auditing					130.00	
Accounting					1,015.00	
Actuarial						
Appraisal						
Consulting						
Legal	9,726.22		7,448.18	159,317.71	57,895.75	1,183.26
Real Estate Services						
Judgments and Settlements				20.80		
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity		48,420.12				
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	2,786.50	231.20	717.92	6,887.16	2,689.16	900.44
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	403.27		50.10	622.82	181.76	198.77
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	187.47	4.18	18.73	213.59	57.63	36.82
Travel	6.25				168.00	
Utilities						
Allocated Overhead	7,210.71	572.79	1,855.67	14,939.37	5,785.96	1,778.19
Miscellaneous Disbursements				2.00		
Total Disbursements	476,382.22	51,575.10	21,925.90	1,619,242.36	213,279.60	26,437.33
Net Changes in Restrictions	0.00	0.00	-2,533.57	-8,318.78	0.00	0.00
Cash Available 8/31/91	168,550.57	0.00	421,184.61	6,790,413.78	627,345.31	545,655.84

Receivership #: Receivership Name:	331 Mission Ins Co	332 Mission Natl Ins Co	334 Enterprise Ins Co	335 Hermitage Health & Life	336 Keystone Life Ins Co	337 Preferred Emp Ins Co
Cash Available 8/31/90	676,187.41	539,866.08	377,741.64	202,298.08	1,276,666.90	1,192,648.86
Cash Receipts:						
Funds on Date of Receivership					514.50	
Receivables	24,446.14	96,682.84	11,259.78			108,697.04
Litigation Settlement		75,000.00			50,000.00	51,633.33
Securities					160.00	50,000.00
Funds Held - Other						
Sales of Fixed Assets	7.42					3.21
Other Assets						
Loans Received, net	235,000.00	624,985.59		9,208.00	-929,093.30	-101,917.90
Premium Income						
Interest	40,333.39	31,680.48	30,895.27	7,853.94	31,901.04	78,658.15
Rent Income				-6,375.00		
Recovered Expenses		374.35			212.00	1,679.57
Miscellaneous Receipts					196.70	
Total Receipts	299,786.95	828,723.26	42,155.05	10,686.94	-846,109.06	188,753.40
Total Cash Available and Cash Receipts 8/31/91	975,974.36	1,368,589.34	419,896.69	212,985.02	430,557.84	1,381,402.26
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	58,388.06	112,768.14	5,691.85	10,384.08	23,849.04	55,558.31
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health				2,881.45	1,859.15	
Property & Casualty	486,856.75	520,662.08				164,215.16
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	1,829.01	3,643.87	29.19		83.07	15,985.06
Professional Services:						
Auditing						
Accounting					7,053.11	
Actuarial						
Appraisal						
Consulting						
Legal	81,802.30	225,798.00	4,690.32	19,899.77	87,819.70	32,876.31
Real Estate Services						
Judgments and Settlements	70.00	2,200.00		1,800.00		
Foreign Receiver Expense				-45,525.08		
General Creditor Paid		1,759.34				
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	4,088.48	9,162.58	438.06	851.76	1,314.16	4,331.84
Equipment Rental						
Insurance	-2,260.00	116,915.00				
Moving	1,229.57					
Office Supplies						
Office Rent						
Postage	977.76	3,698.32	90.70		165.34	380.27
Reproduction		1.57			415.81	
Recovery Expenses						
Security Service Expense						
Storage					13,274.73	
Telephone	211.48	414.04	2.46		101.24	178.31
Travel		385.17			161.52	
Utilities						
Allocated Overhead	9,843.85	20,251.66	821.16	1,908.03	3,548.20	8,850.28
Miscellaneous Disbursements		1,732.50		353.35	8.50	
Total Disbursements	643,037.26	1,019,390.27	11,763.74	-7,446.64	139,651.37	282,375.54
Net Changes in Restrictions	-13,069.44	-8,776.65	-12,807.19	0.00	0.00	-7,286.99
Cash Available 8/31/91	319,867.66	340,422.42	395,325.76	220,431.66	290,906.47	1,091,739.73

Receivership #: / Receivership Name:	338 Edward Patterson Cude, et al	340 Eagle Life Ins Co	341 Texas Retailers Association	342 North American Ins Co	343 Integrity Ins Co	344 Norman Cowart et al
Cash Available 8/31/90	520,985.84	630,307.13	36,505.08	286,353.95	916,947.55	331,395.46
Cash Receipts:						
Funds on Date of Receivership						7,277.58
Receivables	8,326.92	57,517.22			-35,000.00	
Litigation Settlement						
Securities	0.00					
Funds Held - Other						
Sales of Fixed Assets	402.75	74,181.91				
Other Assets						
Loans Received, net					250,000.00	-97,000.00
Premium Income	0.00					
Interest	27,178.59	47,192.37	1,472.59	13,646.17	69,421.09	26,246.04
Rent Income						
Recovered Expenses	48.00					1,495.52
Miscellaneous Receipts		7,980.55				
Total Receipts	35,956.26	186,872.05	1,472.59	13,646.17	284,421.09	-61,980.86
Total Cash Available and Cash Receipts 8/31/91	556,942.10	0.00 817,179.18	37,977.67	300,000.12	1,201,368.64	269,414.60
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	8,570.94	27,572.41	4,214.85	4,239.53	44,598.07	10,071.08
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health		5,625.62	1,035.26			
Property & Casualty					232,101.25	
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			4.42		308.46	
Professional Services:						
Auditing						
Accounting	0.00		177.32			
Actuarial						
Appraisal	182.70					
Consulting						
Legal	2,803.91	11,526.49		5,181.21	37,807.77	4,943.08
Real Estate Services						
Judgments and Settlements	212.00					
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid	1,349.02					
Taxes						
Interest	205.98					
Building Maintenance						
Computer Related Expenses	632.74	1,642.70	340.70	170.36	3,163.70	620.58
Equipment Rental						
Insurance						297.00
Moving						
Office Supplies						
Office Rent						
Postage	57.40	36.92	16.30	100.29	1,206.47	107.28
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	17.90	54.14	15.73	14.51	535.13	128.35
Travel	53.59				202.71	
Utilities						
Allocated Overhead	1,509.41	4,098.42	693.83	387.69	8,500.43	1,747.46
Miscellaneous Disbursements	19.03				-26.05	
Total Disbursements	15,614.62	50,556.70	6,498.41	10,093.59	328,397.94	17,914.83
Net Changes in Restrictions	-324.91	-11,524.67	0.00	0.00	1,168.92	-12,490.90
Cash Available 8/31/91	541,002.57	755,097.81	31,479.26	289,906.53	874,139.62	239,008.87

Receivership #: Receivership Name:	345 Ruth Mills Buford, et al	347 Professional Risk Management	348 Contractors Ins Exchange	349 Summit Title Co	350 Citizens Natl Assurance Co	351 International Fid Life Ins Co
Cash Available 8/31/90	83,683.31	17,731.30	488,390.71	21,960.19	381,743.79	869,946.45
Cash Receipts:						
Funds on Date of Receivership						
Receivables	15.56		129,364.71		22,486.76	47.10
Litigation Settlement						
Securities			50,000.00			
Funds Held - Other						
Sales of Fixed Assets						26.12
Other Assets						
Loans Received, net	-63,500.00		514,690.01	235,000.00	420,000.00	-35,000.00
Premium Income						
Interest	1,960.40	423.87	25,050.47	6,184.26	16,207.69	35,569.27
Rent Income						
Recovered Expenses						281.19
Miscellaneous Receipts						
Total Receipts	-61,524.04	423.87	719,105.19	241,184.26	458,694.45	923.68
Total Cash Available and Cash Receipts 8/31/91	22,159.27	18,155.17	1,207,495.90	263,144.45	840,438.24	870,870.13
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	3,666.94	2,687.82	26,226.47	13,661.91	69,142.50	10,932.15
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health						80,000.00
Property & Casualty			287,413.92		370,479.33	
Title				216,263.32		
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			2,369.04		10,979.45	
Professional Services:						
Auditing						
Accounting		248.43		1,452.33		3,762.07
Actuarial						
Appraisal				90.00		
Consulting				180.00		
Legal	1,373.00		32,039.24	30,700.47	97,178.78	5,322.41
Real Estate Services						
Judgments and Settlements				35,000.00		
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense				-116,589.92		
A/P - Funds in Trust						
Distribution of Equity		14,829.53				
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	340.70		2,689.16	1,228.98	5,877.20	705.76
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	27.90		244.29	162.72	323.07	48.92
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	2.35	10.12	161.34	36.94	249.68	57.32
Travel				179.90	211.20	
Utilities						
Allocated Overhead	677.24	379.27	4,995.80	2,183.46	11,561.75	1,666.63
Miscellaneous Disbursements	15.56		5,357.00		16.00	105.00
Total Disbursements	6,103.69	18,155.17	361,496.26	184,550.11	566,018.96	102,600.26
Net Changes in Restrictions	0.00	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	16,055.58	0.00	845,999.64	78,594.34	274,419.28	768,269.87

Receivership #: Receivership Name:	352 Central Texas Health Plan	353 Farm & Ranch Life Ins Co	354 Buffalo Title of Houston	355 Professional Mutual Ins Co	357 Southern International	358 Federal Title Co
Cash Available 8/31/90	425,095.63	14,816.08	37,622.65	270,145.98	284,943.98	17,519.10
Cash Receipts:						
Funds on Date of Receivership						
Receivables			48,083.98			
Litigation Settlement			25,000.00			
Securities						
Funds Held - Other						
Sales of Fixed Assets						
Other Assets						
Loans Received, net		25,000.00		1,145,000.00		20,000.00
Premium Income						
Interest	26,694.96	609.71	5,958.22	18,039.08	28,274.62	2,501.12
Rent Income						
Recovered Expenses						
Miscellaneous Receipts			6.50			30.00
Total Receipts	26,694.96	25,609.71	79,048.70	1,163,039.08	28,274.62	22,531.12
Total Cash Available and Cash Receipts 8/31/91	451,790.59	40,425.79	116,671.35	1,433,185.06	313,218.60	40,050.22
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	12,392.50	2,159.53	18,058.60	34,568.84	17,281.30	11,806.62
Receivership / Company						
Contract Labor				46.47		40.61
Claims:						
Accident & Health		1,450.51				
Property & Casualty				1,012,105.43		
Title			10,213.42			
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense		15.47		1,141.80	3,541.03	
Professional Services:						
Auditing						
Accounting			2,010.90			3,592.00
Actuarial						
Appraisal			90.00			90.00
Consulting			750.00			543.50
Legal			4,211.64	30,634.54	21,353.29	10,761.16
Real Estate Services						
Judgments and Settlements				6,750.00	168,979.20	
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense			975.49			1,123.19
A/P - Funds in Trust						
Distribution of Equity		36,248.59				
Notes Payable Paid						
Taxes			7,921.12			
Interest						
Building Maintenance						
Computer Related Expenses	158.18		1,460.18	3,492.24	924.78	1,155.98
Equipment Rental						
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage		12.00	117.69	581.83	199.63	152.49
Reproduction					317.20	
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	4.96	14.28	105.51	230.30	101.47	71.00
Travel					214.14	42.54
Utilities						
Allocated Overhead	783.33	525.41	2,876.16	6,335.14	2,416.09	1,825.34
Miscellaneous Disbursements			31,085.68		3.00	52,327.65
Total Disbursements	13,338.97	40,425.79	79,876.39	1,095,886.59	215,331.13	83,532.08
Net Changes in Restrictions	0.00	0.00	57,071.41	0.00	321,285.85	49,959.87
Cash Available 8/31/91	438,451.62	0.00	93,866.37	337,298.47	419,173.32	6,478.01

Receivership #: / Receivership Name:	359 Homeland Ins Co	360 East Texas Health Plan	361 Holland Amer Lloyds		363 North Texas Title Co	364 Wstrn Heritage Life Ins Co
Cash Available 8/31/90	206,059.42	1,635,242.91	667,212.52	2,564.26	2,252.16	114,476.70
Cash Receipts:						
Funds on Date of Receivership						
Receivables						
Litigation Settlement						
Securities		2,500.00				
Funds Held - Other						
Sales of Fixed Assets		1,034.55			18.00	
Other Assets						
Loans Received, net	225,000.00		80,000.00		590,000.00	
Premium Income						
Interest	8,010.20	60,367.24	26,954.35	106.36	4,135.44	4,330.31
Rent Income						
Recovered Expenses						
Miscellaneous Receipts					25.00	
Total Receipts	233,010.20	63,901.79	106,954.35	106.36	594,178.44	4,330.31
Total Cash Available and Cash Receipts 8/31/91	439,069.62	1,699,144.70	774,166.87	2,670.62	596,430.60	118,807.01
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	15,173.60	4,555.67	4,986.36		15,919.30	3,138.87
Receivership / Company						
Contract Labor						
Claims:						
Accident & Health		1,652,314.95				9,000.00
Property & Casualty	163,479.61		165,579.41			
Title					518,093.85	
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	2,021.10	829.01				2.21
Professional Services:						
Auditing						
Accounting						
Actuarial						
Appraisal						
Consulting					240.00	
Legal	23,360.43		6,770.75		13,305.85	150.00
Real Estate Services						
Judgments and Settlements	517.45					
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity				2,670.62		
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance						
Computer Related Expenses	1,168.14	559.74	571.90		2,007.74	316.38
Equipment Rental						
Insurance						
Moving	78.37					
Office Supplies						
Office Rent						
Postage	175.03	941.68	34.20		167.79	17.06
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage		18.00				
Telephone	80.16	112.92	24.19		191.94	3.82
Travel					48.14	
Utilities						
Allocated Overhead	2,465.35	742.65	827.24		2,479.04	573.82
Miscellaneous Disbursements		15,614.50			225.27	
Total Disbursements	208,519.24	1,675,689.12	178,794.05	2,670.62	552,678.92	13,202.16
Net Changes in Restrictions	0.00	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	230,550.38	23,455.58	595,372.82	0.00	43,751.68	105,604.85

Receivership #: Receivership Name:	365 Best Lloyds Ins Co	366 Bluff Farmers Mutual Ins Co	368 Lloyds Texas	369 Consol Savings Life Ins Co	370 TMIC Ins. Company	371 Ntl County Mut Fire Ins Co
Cash Available 8/31/90	1,048,233.93	158,944.42	979,812.08	227,969.24	83,473.49	491,904.87
Cash Receipts:						
Funds on Date of Receivership						37,976.08
Receivables	484,929.09		-30,000.00	44,136.19		876,687.42
Litigation Settlement	250.19					111,576.81
Securities						4,894.30
Funds Held - Other						
Sales of Fixed Assets		20,975.84				71,847.89
Other Assets						
Loans Received, net	995,000.00	-100,000.00	-142,000.00		-6,000.00	6,200,000.00
Premium Income						
Interest	41,716.36	4,632.01	45,433.76	13,162.23	1,706.15	160,276.26
Rent Income						9,903.70
Recovered Expenses						1,142.86
Miscellaneous Receipts	200.00					-2,951.85
Total Receipts	1,522,095.64	-74,392.15	-126,566.24	57,298.42	-4,293.85	7,471,353.47
Total Cash Available and Cash Receipts 8/31/91	2,570,329.57	84,552.27	853,245.84	285,267.66	79,179.64	7,963,258.34
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	359,642.29	10,585.94	31,228.09	7,560.74	136.21	516,313.46
Receivership / Company						42,472.35
Contract Labor	50,742.69					69,497.96
Claims:						
Accident & Health						
Property & Casualty	1,249,255.54		207,780.85			3,226,909.35
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	5,138.55		10,445.61			318,837.19
Professional Services:						
Auditing	1,463.00					19,021.00
Accounting	37,991.00					121,173.50
Actuarial						
Appraisal						242.44
Consulting				5,444.52		14,444.79
Legal	204,959.66	10,799.30	43,289.69			2,212,828.60
Real Estate Services						
Judgments and Settlements	55.00					3,868.60
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity					78,991.94	
Notes Payable Paid						
Taxes						4,650.58
Interest						
Building Maintenance						286.95
Computer Related Expenses	30,347.26	863.94	2,896.02	657.08		87,850.80
Equipment Rental						3,725.98
Insurance						2,079.58
Moving	391.73					2,089.06
Office Supplies						1,409.08
Office Rent						42,504.00
Postage	6,630.63	42.65	551.86	44.20		5,491.39
Reproduction	3,100.66					1,758.24
Recovery Expenses						
Security Service Expense						
Storage						1,236.47
Telephone	2,954.31	25.91	164.34	1.20	0.89	18,179.67
Travel	12.00		192.00			13,401.38
Utilities						
Allocated Overhead	62,867.61	1,590.50	5,385.48	1,351.68	50.60	90,544.69
Miscellaneous Disbursements	-6.89					1,136.93
Total Disbursements	2,015,545.04	23,908.24	301,933.94	15,059.42	79,179.64	6,821,954.04
Net Changes in Restrictions	0.00	0.00	275,445.76	0.00	0.00	138.66
Cash Available 8/31/91	554,784.53	60,644.03	826,757.66	270,208.24	0.00	1,141,442.96

Receivership #: Receivership Name:	373 Texas Indep School Systems	374 First Columbia Life Ins Co	375 First Service Life Ins Co	376 Credit Guard Life Ins Co	377 Texas Bus & Prof Assoc	379 First Trancont Life Ins Co
Cash Available 8/31/90	201,295.86	453,726.30	618,191.84	144,521.65	11,037.67	203,052.05
Cash Receipts:						
Funds on Date of Receivership			23,586.92			
Receivables			485,693.38			
Litigation Settlement						
Securities			82,136.14			
Funds Held - Other						
Sales of Fixed Assets			10,554.80	4.50		
Other Assets						
Loans Received, net	-51,000.00	720,000.00	-17,918.82	-55,000.00		20,000.00
Premium Income		591.00				
Interest	7,092.10	18,222.73	98,502.98	2,622.23	440.60	8,054.34
Rent Income						
Recovered Expenses			3,347.15			
Miscellaneous Receipts	46.65	31.20				
Total Receipts	-43,861.25	738,844.93	685,902.55	-52,373.27	440.60	28,054.34
Total Cash Available and Cash Receipts 8/31/91	157,434.61	1,192,571.23	1,304,094.39	92,148.38	11,478.27	231,106.39
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	3,187.09	58,057.51	55,215.92	9,028.70	273.81	15,485.18
Receivership / Company						
Contract Labor		32.90				
Claims:						
Accident & Health		708,634.03		54.97		53,925.78
Property & Casualty						
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense		583.11		2.21		85.15
Professional Services:						
Auditing						
Accounting			78,168.18			
Actuarial						
Appraisal						
Consulting						
Legal	1,571.32	11,032.68	369,914.93	61,359.27		2,474.69
Real Estate Services						
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust			478,424.81			
Distribution of Equity					10,788.36	
Notes Payable Paid						
Taxes			4,973.48			
Interest						
Building Maintenance						
Computer Related Expenses	146.02	4,903.74	2,470.12	961.28	48.68	1,715.70
Equipment Rental		726.91				
Insurance						
Moving						
Office Supplies						
Office Rent						
Postage	19.25	1,308.57	31.98	39.63		115.04
Reproduction			1,343.02			
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	33.78	160.45	93.80	46.62		21.66
Travel		205.48				
Utilities						
Allocated Overhead	468.55	9,599.30	8,396.51	1,643.46	45.92	2,406.52
Miscellaneous Disbursements	776.70	5,000.00	5,000.00		321.50	
Total Disbursements	6,202.71	800,244.68	1,004,032.75	73,136.14	11,478.27	76,229.72
Net Changes in Restrictions	-46.06	0.00	-53,980.47	0.00	0.00	0.00
Cash Available 8/31/91	151,185.84	392,326.55	246,081.17	19,012.24	0.00	154,876.67

Receivership #: Receivership Name:	380 Gibson Natl Life Ins Co	382 Texas National Ins Co	384 First Houston Title Inc	385 Gulf Coast Ins Co	386 Stone Mountain Ins Co	387 Empire Casualty Co
Cash Available 8/31/90	1,784,905.94	644,538.48	59,256.56	142.37	264,131.47	227,147.90
Cash Receipts:						
Funds on Date of Receivership						
Receivables	2,784.18		-4.34		-208,221.62	
Litigation Settlement					308,993.24	
Securities	8,332.84					
Funds Held - Other						
Sales of Fixed Assets	135,461.51					
Other Assets						
Loans Received, net	105,000.00	-49,000.00	-18,414.72	7,000.00	616,500.00	45,000.00
Premium Income						
Interest	68,913.01	28,306.38	9,066.06	177.46	15,584.91	7,077.74
Rent Income						
Recovered Expenses	67.44					
Miscellaneous Receipts	33.20					
Total Receipts	320,592.18	-20,693.62	-9,353.00	7,177.46	732,856.53	52,077.74
Total Cash Available and Cash Receipts 8/31/91	2,105,498.12	623,844.86	49,903.56	7,319.83	996,988.00	279,225.64
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	85,671.86	15,000.84	10,990.77	1,754.85	54,476.70	11,987.27
Receivership / Company						
Contract Labor					8.00	
Claims:						
Accident & Health	925,820.15					
Property & Casualty		18,435.24			384,619.70	151,087.77
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	4,025.04	5.00			-420.00	
Professional Services:						
Auditing						
Accounting		617.50				
Actuarial						
Appraisal	6,200.00					
Consulting	3,669.45		635.00			
Legal	27,011.96	8,431.83			120,869.76	23,309.83
Real Estate Services	16,390.46					
Judgments and Settlements		385.40	152.00		355.00	
Foreign Receiver Expense	174,431.78					
General Creditor Paid						
Escrow Settlement Expense			6,396.68			
A/P - Funds in Trust						
Distribution of Equity				5,001.43		
Notes Payable Paid	660.98					
Taxes	55,035.47					
Interest	1,119.55					
Building Maintenance	782.68					
Computer Related Expenses	5,998.88	839.60	973.44	60.84	4,271.00	815.26
Equipment Rental	749.78					
Insurance	8,867.22					
Moving	30.33				69.12	
Office Supplies						
Office Rent						
Postage	1,804.11	177.69	100.18	0.85	476.32	82.83
Reproduction	3,060.83	24.00				
Recovery Expenses						
Security Service Expense						
Storage						
Telephone	404.49	110.94	77.59	2.29	377.36	188.15
Travel	92.61		42.54			
Utilities						
Allocated Overhead	13,221.52	2,714.80	1,881.96	261.33	9,462.54	2,376.68
Miscellaneous Disbursements	1,960.76			238.24		
Total Disbursements	1,337,009.91	46,742.84	21,250.16	7,319.83	574,565.50	189,847.79
Net Changes in Restrictions	0.00	0.00	4,430.75	0.00	0.00	0.00
Cash Available 8/31/91	768,488.21	577,102.02	33,084.15	0.00	422,422.50	89,377.85

Receivership #:	388	390	391	392	393	394
Receivership Name:	Lumbermans Life Ins Co	Southern Gen Life Ins Co	Amer Teachers Life Ins Co	Knickerbocker Life Ins Co	U.S. Annuity Life Ins Co	Amer Mutual Liability Ins
Cash Available 8/31/90	65,057.63	304,781.29	2,491,698.03	14,140,474.06	1,266,931.60	119,354.34
Cash Receipts:						
Funds on Date of Receivership			-100,000.00	67.82	72.77	
Receivables		3,010.89	141,526.44	1,900,427.62		123.60
Litigation Settlement						
Securities				220,282.01		
Funds Held - Other				559.94		
Sales of Fixed Assets		6,516.55	25,173.38	-1,231.22	6,750.00	
Other Assets						
Loans Received, net	10,000.00		2,350,000.00	-4,961,905.05	1,400,586.80	455,000.00
Premium Income			-685.28	-32.20		
Interest	3,349.21	30,384.33	130,723.40	509,009.20	104,294.55	7,769.77
Rent Income						
Recovered Expenses			1,074.64	604.01		
Miscellaneous Receipts			-921.75	663.81	-322.60	
Total Receipts	13,349.21	39,911.77	2,546,890.83	-2,331,554.06	1,511,381.52	462,893.37
Total Cash Available and Cash Receipts 8/31/91	78,406.84	344,693.06	5,038,588.86	11,808,920.00	2,778,313.12	582,247.71
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	5,861.57	9,988.34	90,190.32	224,550.12	40,007.76	40,657.81
Receivership / Company		13,697.87	200.81			
Contract Labor				3,497.50	46.47	
Claims:						
Accident & Health	336.60	74,127.03	2,415,621.15	1,533,713.60	1,403,893.59	
Property & Casualty						405,010.51
Title						
Assumptions:						
Accident & Health			25,141.00	1,612,942.03		
Property & Casualty						
Claims Administration Expense	13.26	22.10	101,033.55	2,189.92	15.34	8,595.04
Professional Services:						
Auditing						
Accounting				3,564.00		
Actuarial			1,302.00	10,875.77		
Appraisal			18,452.47	2,350.00	200.00	
Consulting			1,150.88	8,613.95	111.98	
Legal		112.25	109,391.91	140,867.24	26,167.41	25,115.80
Real Estate Services			13,102.29	13,459.41	734.48	
Judgments and Settlements				2,590.47	120.00	
Foreign Receiver Expense				174,539.26		
General Creditor Paid				-258.53		
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid			80,000.04			
Taxes			35,659.90	59,811.07	6,610.63	
Interest			24,378.17			
Building Maintenance			28,005.82	5,928.54	1,610.64	
Computer Related Expenses	340.70	693.58	5,950.20	19,785.34	1,618.36	3,115.04
Equipment Rental						
Insurance			7,080.60		250.00	
Moving				516.00		
Office Supplies						
Office Rent						
Postage	76.24	98.21	3,004.48	2,252.26	263.57	779.72
Reproduction			2,316.06	6,113.67	5.31	
Recovery Expenses				60.00		
Security Service Expense				2,551.75		
Storage						
Telephone	16.00	87.69	963.59	1,430.31	360.53	331.14
Travel			1,102.92	1,363.23	366.60	119.95
Utilities			2,500.00	181.07		
Allocated Overhead	1,083.13	1,764.35	13,913.06	37,003.33	6,267.60	6,690.26
Miscellaneous Disbursements		51.00	3,115.81	312,363.90	893.69	142.72
Total Disbursements	7,727.50	100,642.42	2,983,577.03	4,182,855.21	1,489,543.96	490,557.99
Net Changes in Restrictions	0.00	-17,065.34	0.00	-4,162,667.42	-13,166.59	0.00
Cash Available 8/31/91	70,679.34	226,985.30	2,055,011.83	3,463,397.37	1,275,602.57	91,689.72

Receivership #: Receivership Name:	395 GIC Ins Co	396 Americana Life Ins Co	397 North American Lloyds of Texas	398 American Underwriters	399 Confidence Life Ins. Co.	401 Christrian Brotherhood
Cash Available 8/31/90	990,130.47	62,276.47	1,289,541.03	51,912.51	6,063.42	602.37
Cash Receipts:						
Funds on Date of Receivership	37,198.52					
Receivables	222,443.56		90,108.28	-44.47		
Litigation Settlement	75,000.00					
Securities						
Funds Held - Other						
Sales of Fixed Assets			95,298.64	176.17		3,847.50
Other Assets						
Loans Received, net	2,010,750.00		1,925,000.00	26,000.00		3,000.00
Premium Income	2,201.62		25.00			
Interest	50,049.50	863.28	66,978.34	2,621.15	202.36	125.86
Rent Income			24,015.72			
Recovered Expenses	1,696.19					
Miscellaneous Receipts	-3,435.17		125.00			
Total Receipts	2,395,904.22	863.28	2,201,550.98	28,752.85	202.36	6,973.36
Total Cash Available and Cash Receipts 8/31/91	3,386,034.69	63,139.75	3,491,092.01	80,665.36	6,265.78	7,575.73
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	211,886.70	642.24	270,468.42	5,184.27	1,008.33	1,995.50
Receivership / Company	34,666.83					
Contract Labor	13,493.70		1,476.16			34.19
Claims:						
Accident & Health	2,388,029.86					
Property & Casualty			2,258,387.40			
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	77,112.85		185,167.72			
Professional Services:						
Auditing	2,306.58		1,501.50			
Accounting			10,584.00			
Actuarial	2,381.33					
Appraisal			5,000.00			
Consulting						
Legal	13,374.95		42,079.69	3,326.87		160.91
Real Estate Services			101.29			
Judgments and Settlements			202.00			
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity		62,219.18			4,708.05	4,217.17
Notes Payable Paid						
Taxes			20,249.25			
Interest	31.00					
Building Maintenance			376.38			
Computer Related Expenses	12,740.72		23,569.64	438.06	182.52	365.04
Equipment Rental	772.98					
Insurance	-3,434.00					
Moving	855.40			-22.30		
Office Supplies	1,621.02					82.80
Office Rent	23,163.96					
Postage	9,917.43	37.00	5,276.46	-21.85		92.74
Reproduction						
Recovery Expenses						
Security Service Expense						
Storage	360.00					
Telephone	5,735.53	0.95	5,031.65	1.44	9.83	27.27
Travel	5,346.72		3,126.86			
Utilities						
Allocated Overhead	36,129.72	225.38	46,071.10	863.43	237.85	600.11
Miscellaneous Disbursements	65.10	15.00	1,335.86		119.20	
Total Disbursements	2,836,558.38	63,139.75	2,880,005.38	9,769.92	6,265.78	7,575.73
Net Changes in Restrictions	0.00	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	549,476.31	0.00	611,086.63	70,895.44	0.00	0.00

Receivership #: Receivership Name:	402 Maxey Ins Agency, et al	403 Texas National Title Co	404 First Sthwst Lloyds	405 General Indemn Ins Co	406 Consolidated Benefit Health	407 Texas Investors Life Ins Co
Cash Available 8/31/90	13,462.38	5,042.38	528,099.56	850,976.07	141,138.14	1,619,813.22
Cash Receipts:						
Funds on Date of Receivership						
Receivables		27,464.36	21,598.33	39,185.93		934.27
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets		60,000.00	1,009.50	1,428.94		
Other Assets						
Loans Received, net			805,000.00	825,000.00	590,000.00	3,145,000.00
Premium Income			763.05			-57.52
Interest	410.25	5,712.55	29,715.10	47,537.07	6,290.21	84,818.11
Rent Income						
Recovered Expenses			410.00	163.20		3,930.36
Miscellaneous Receipts			12,325.00			
Total Receipts	410.25	93,176.91	870,820.98	913,315.14	596,290.21	3,234,625.22
Total Cash Available and Cash Receipts 8/31/91	13,872.63	98,219.29	1,398,920.54	1,764,291.21	737,428.35	4,854,438.44
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	2,219.87	8,717.53	122,252.87	92,070.57	54,840.36	109,701.92
Receivership / Company						
Contract Labor	29.04		821.86	1,647.38	198.40	
Claims:						
Accident & Health					490,268.84	2,963,633.34
Property & Casualty			755,894.14	740,605.01		
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense			53,793.36	19,308.90	5,013.81	214,366.41
Professional Services:						
Auditing						
Accounting				4,761.00		197.20
Actuarial						1,637.90
Appraisal						
Consulting		135.00				
Legal		8,746.83	30,785.00	9,438.54	53,075.12	6,517.78
Real Estate Services						
Judgments and Settlements	303.50		405.20			
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense		38,169.61				
A/P - Funds in Trust						
Distribution of Equity	10,455.32					
Notes Payable Paid						
Taxes						
Interest				30.00		
Building Maintenance						
Computer Related Expenses	340.70	1,630.52	9,637.14	8,226.76	2,810.84	8,548.66
Equipment Rental						
Insurance						
Moving						638.60
Office Supplies					1,044.00	
Office Rent						
Postage	24.15	68.22	2,530.09	2,438.23	1,062.27	5,257.48
Reproduction			21.77			
Recovery Expenses						
Security Service Expense						
Storage						84.60
Telephone	0.65	52.51	976.55	809.91	482.89	1,097.54
Travel			391.44	335.08	174.08	1,006.31
Utilities						
Allocated Overhead	381.85	1,417.69	19,891.44	14,732.55	9,176.72	18,478.10
Miscellaneous Disbursements	117.55		2.00	1,273.10		-80.00
Total Disbursements	13,872.63	58,937.91	997,402.86	895,677.03	618,147.33	3,331,085.84
Net Changes in Restrictions	0.00	10,342.27	-31,849.77		0.00	0.00
Cash Available 8/31/91	0.00	49,623.65	369,667.91	868,614.18	119,281.02	1,523,352.60

Receivership #: / Receivership Name:	408 Financial Svkes-Houston	409 Galaxia Life Ins Co	410 United Trvlers Ins Co	411 Pacific Marine Ins Co	413 Texas Ins Co, et al	414 Paxton Nat Ins Co
Cash Available 8/31/90	82,424.76	1,317,165.96	84.24	196,982.14	1,786,539.90	112,141.96
Cash Receipts:						
Funds on Date of Receivership	309,900.94	353,933.99			53,637.63	
Receivables		7,011.33			54,102.00	
Litigation Settlement						
Securities		765,979.56			209,498.00	
Funds Held - Other						
Sales of Fixed Assets	18,200.02		36.00		2.25	
Other Assets						
Loans Received, net		6,655,000.00	12,000.00	15,000.00	2,486,026.87	215,000.00
Premium Income		547.48			-2,259.31	
Interest	8,334.42	126,353.20	76.69	8,006.10	81,654.98	6,846.53
Rent Income						
Recovered Expenses		5,073.69			905.87	
Miscellaneous Receipts			-586.66		-1,975.20	
Total Receipts	336,435.38	7,913,899.25	11,526.03	23,006.10	2,881,593.09	221,846.53
Total Cash Available and Cash Receipts 8/31/91	418,860.14	9,231,065.21	11,610.27	219,988.24	4,668,132.99	333,988.49
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	14,752.84	136,844.80	9,440.96	10,969.42	259,091.32	8,313.51
Receivership / Company					2,153.29	
Contract Labor		58.00			13,903.39	
Claims:						
Accident & Health		6,481,289.99				
Property & Casualty				25,379.99	2,746,333.48	153,905.63
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense		311,812.21		5,103.07	498,516.65	656.51
Professional Services:						
Auditing						
Accounting					31,388.22	
Actuarial						
Appraisal					1,200.00	
Consulting						
Legal	188.50	35,229.14			54,657.33	4,633.88
Real Estate Services						
Judgments and Settlements	230.00	375.00				
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity			44.86			
Notes Payable Paid						
Taxes						
Interest						
Building Maintenance	-159.50				-318.00	
Computer Related Expenses	754.42	6,388.26	681.42	1,082.96	19,570.96	863.94
Equipment Rental						
Insurance						
Moving		1,720.90				
Office Supplies					1,624.00	
Office Rent						
Postage	207.24	10,387.52	20.95	144.51	5,253.39	94.92
Reproduction					38.82	
Recovery Expenses					9,250.06	
Security Service Expense						
Storage						
Telephone	164.24	875.79	11.93	249.53	2,280.66	89.74
Travel	221.77	396.16		83.75	1,299.68	
Utilities						
Allocated Overhead	2,544.06	19,881.16	1,387.65	1,575.43	39,934.71	1,508.26
Miscellaneous Disbursements	-72.80	4,183.37			-41.71	-7.95
Total Disbursements	18,830.77	7,009,442.30	11,587.77	44,588.66	3,686,136.25	170,058.44
Net Changes in Restrictions	0.00	-26,429.13	0.00	0.00	0.00	0.00
Cash Available 8/31/91	400,029.37	2,195,193.78	22.50	175,399.58	981,996.74	163,930.05

Receivership #: Receivership Name:	415 Amalgamated Labor Life	416 Regent Life Ins Co	417 Title USA Ins Corp	418 Cal Pacific Life Ins Co	420 S Natl Life & Americas Intl	421 Great Atlantic Ins Co
Cash Available 8/31/90	69,357.38	175,774.02	5,157,319.83	42,965.52	4,013,995.21	6,147.22
Cash Receipts:						
Funds on Date of Receivership			56,163.68		435,822.63	35,528.49
Receivables		298.97	450,590.23		-28,253.61	
Litigation Settlement			128,550.16			
Securities			171,349.65			
Funds Held - Other						
Sales of Fixed Assets			261,119.07		469.63	
Other Assets						
Loans Received, net	280,999.82	299.00	4,300,000.00	955,000.00	4,310,000.00	21,000.00
Premium Income	-27,230.40		20,855.78		-112,978.30	
Interest	4,047.03	7,122.83	406,603.57	5,529.22	224,893.91	1,511.62
Rent Income			-8,075.51			
Recovered Expenses			67,135.75		1,542.91	
Miscellaneous Receipts			54,715.79		-225.32	
Total Receipts	257,816.45	7,720.80	5,909,008.17	960,529.22	4,831,271.85	58,040.11
Total Cash Available and Cash Receipts 8/31/91	327,173.83	183,494.82	11,066,328.00	1,003,494.74	8,845,267.06	64,187.33
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	12,768.74	4,917.54	424,696.57	47,079.91	155,149.52	14,995.70
Receivership / Company			126,241.98		359.69	
Contract Labor			10,236.54	35.75		
Claims:						
Accident & Health	179,781.92	281.00		647,817.70	4,051,598.91	
Property & Casualty						10,000.00
Title			1,299,019.25			
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	1,372.10			8,904.43	77,190.81	55.99
Professional Services:						
Auditing			3,025.00			
Accounting			6,928.00		1,874.20	
Actuarial						
Appraisal			17,332.23			
Consulting			64,541.64			
Legal			224,536.06		10,901.78	
Real Estate Services			8,741.21			
Judgments and Settlements			1,741.70			
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense			340,860.79			
A/P - Funds in Trust						
Distribution of Equity		176,837.17				
Notes Payable Paid						
Taxes			70,565.26			
Interest						
Building Maintenance			1,715.51			
Computer Related Expenses	1,216.82	535.40	34,707.79	1,764.38	8,639.36	961.28
Equipment Rental			2,468.36			
Insurance			10,007.28			
Moving			6,633.26		428.50	
Office Supplies			9,046.00			
Office Rent						
Postage	217.99	30.54	8,098.66	595.99	9,518.90	359.07
Reproduction	24.35		928.76		1,263.94	
Recovery Expenses						
Security Service Expense						
Storage			3,152.62			
Telephone	66.69	42.97	16,663.98	71.57	1,938.85	60.97
Travel			3,299.43		2,722.59	
Utilities			227.74			
Allocated Overhead	2,469.16	850.20	73,285.89	8,034.90	25,362.67	2,903.47
Miscellaneous Disbursements			198,295.94		378.11	43.97
Total Disbursements	197,917.77	183,494.82	2,966,997.45	714,304.63	4,347,327.83	29,380.45
Net Changes in Restrictions	0.00	0.00	-946,630.76	0.00	0.00	0.00
Cash Available 8/31/91	129,256.06	0.00	7,152,699.79	289,190.11	4,497,939.23	34,806.88

Receivership #: Receivership Name:	422 Texas Consumers Life Ins Co	423 American Equit Life & Fin Corp	424 Security SW Life Ins Co	425 American Sun Life Ins Co	426 Allied Bankers Life Ins Co	427 Cadillac Ins Co
Cash Available 8/31/90	1,343,963.27	3,170,183.43	195,604.62	160,236.93	3,161,292.37	16,072.21
Cash Receipts:						
Funds on Date of Receivership	332,140.10	534,089.72			-71,792.77	
Receivables	185,685.60	80,299.75	109,860.93		115,020.50	
Litigation Settlement					5,000.00	
Securities		200,000.00			637,491.02	
Funds Held - Other						
Sales of Fixed Assets	369.00	468.67			15,709.83	
Other Assets		12,000.00				
Loans Received, net	3,092,597.00	4,702,850.00		8,500.00	5,705,648.00	855,000.00
Premium Income	2,753.86	1,963.68	-1,360.85		7,506.63	
Interest	88,203.61	230,986.59	51,303.71	7,486.81	234,360.32	14,254.57
Rent Income	480.00					
Recovered Expenses	1,594.35	7,224.48	87.20		2,279.31	78.18
Miscellaneous Receipts	1,478.66	524.14			1.00	
Total Receipts	3,705,302.18	5,770,407.03	159,890.99	15,986.81	6,651,223.84	869,332.75
Total Cash Available and Cash Receipts 8/31/91	5,049,265.45	8,940,590.46	355,495.61	176,223.74	9,812,516.21	885,404.96
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	103,183.85	157,698.20	19,281.48	4,461.58	152,072.39	57,891.48
Receivership / Company	141.10		186.62			123.40
Contract Labor		6,879.26				
Claims:						
Accident & Health	2,514,656.75	4,272,070.03		27,550.18	3,591,967.22	358,542.57
Property & Casualty						140,705.30
Title						
Assumptions:						
Accident & Health	323,443.67				1,604,648.00	
Property & Casualty						
Claims Administration Expense	30,411.83	60,059.79	4.42	104.51	171,586.14	17,478.09
Professional Services:						
Auditing						
Accounting		939.78			799.00	
Actuarial		1,391.25			2,720.95	
Appraisal	2,360.05		350.00		350.00	
Consulting	1,109.88				1,344.39	
Legal	1,635.05	219,862.53			50,229.80	6,750.21
Real Estate Services	865.01				1,105.78	
Judgments and Settlements	1,000.00	1,625.90			352.50	
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes	7,347.60		19.08		2,385.99	
Interest						
Building Maintenance	286.95					
Computer Related Expenses	3,966.80	8,128.30	790.92	365.04	10,841.78	2,969.02
Equipment Rental						
Insurance	914.00				1,731.72	
Moving	22.49	532.43			66.10	
Office Supplies						
Office Rent						
Postage	2,535.77	5,530.22	23.23	86.35	8,891.56	3,844.74
Reproduction		166.18			484.17	312.94
Recovery Expenses	295.82					
Security Service Expense						
Storage						
Telephone	650.20	1,019.73	26.76	29.79	1,739.75	593.19
Travel	2,025.18	1,829.54			1,410.16	
Utilities						
Allocated Overhead	14,611.18	26,207.20	2,637.10	836.52	25,840.92	9,692.88
Miscellaneous Disbursements	4,555.25	90.69	2.00	53.56	1,287.72	1,350.52
Total Disbursements	3,016,018.43	4,764,031.03	23,321.61	33,487.53	5,631,862.04	600,254.34
Net Changes in Restrictions	-191,506.27	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	1,841,740.75	4,176,559.43	332,174.00	142,736.21	4,180,654.17	285,150.62

Receivership #: / Receivership Name:	428 First Nat Indemnity Co	429 Great SW Life Ins Co	430 SW American Lloyds Ins Co	431 Essex Lloyds Ins & Braniff	432 Intercont'l Ins Co	433 Underwriter's of Lloyds, US
Cash Available 8/31/90	1,181,251.65	3,000,060.19	983,695.39	155,356.15	101,026.38	1,775,708.37
Cash Receipts:						
Funds on Date of Receivership	682,617.76	7,249.45				25,530.22
Receivables	75,324.68	900,100.12	49,991.41	6,046.89		473,438.45
Litigation Settlement					16,000.00	
Securities	299,599.82			203,794.58		
Funds Held - Other						
Sales of Fixed Assets	4,437.37	264,308.08		40.50		28,254.50
Other Assets						
Loans Received, net	1,750,000.00	7,314,023.36	1,375,000.00	850,000.00	20,000.00	3,100,000.00
Premium Income	50.00	427,720.81	-94.23	-50.00		208,652.10
Interest	120,441.70	211,519.73	45,353.37	19,454.86	5,845.40	108,494.61
Rent Income	1,450.00	15,345.00	3,842.54			
Recovered Expenses	2,512.18	1,439.45	48,388.18	7,796.78		9,927.15
Miscellaneous Receipts	3,992.00	103,453.49	-1,841.83			-3,698.81
Total Receipts	2,940,425.51	9,245,159.49	1,520,639.44	1,087,083.61	41,845.40	3,950,598.22
Total Cash Available and Cash Receipts 8/31/91	4,121,677.16	12,245,219.68	2,504,334.83	1,242,439.76	142,871.78	5,726,306.59
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	111,800.56	224,915.17	127,119.54	82,796.58	9,932.16	339,738.68
Receivership / Company	343.16	-127.59	1,147.89	2,510.57		1,318.02
Contract Labor	927.67	924.38	4,197.57	1,478.86		2,613.92
Claims:						
Accident & Health		4,487,160.35				
Property & Casualty	1,648,838.80		1,287,156.85	804,039.59	1,839.50	2,873,071.35
Title						
Assumptions:						
Accident & Health		1,906,763.36				
Property & Casualty						
Claims Administration Expense	50,715.42	160,844.18	26,651.33	47,327.92	93.30	134,660.15
Professional Services:						
Auditing	1,219.00					14,882.60
Accounting	7,507.50	8,979.99	1,914.40	272.00		6,808.69
Actuarial		22,041.49				
Appraisal	325.00	7,347.25	115.05			
Consulting		1,735.88				
Legal	105,681.15	21,196.91	45,011.79	28,035.26	9,263.17	189,030.34
Real Estate Services	1,322.74	5,070.71	675.00			
Judgments and Settlements	7,627.14	37,782.00	55.00	299.00		7.00
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense		1,149.62				
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes	1,731.41	111,821.36				
Interest						
Building Maintenance	7,628.52	-102.55				
Computer Related Expenses	11,785.38	16,386.45	10,075.20	8,675.86	1,058.62	25,620.52
Equipment Rental						
Insurance	1,794.48	42,104.06				
Moving		1,051.80	536.73			749.98
Office Supplies	348.00					351.49
Office Rent						
Postage	1,572.70	9,562.64	3,223.46	1,142.02	166.30	5,402.12
Reproduction	301.74	10,157.37	65.78	164.75		2,271.61
Recovery Expenses		28,286.23				
Security Service Expense						
Storage						2,100.00
Telephone	918.00	3,188.50	2,547.01	573.66	62.65	4,542.07
Travel	3,494.00	4,299.25	1,312.66	1,892.50		2,555.36
Utilities	1,434.59					
Allocated Overhead	18,980.58	37,091.09	22,295.59	13,686.81	1,497.71	54,280.26
Miscellaneous Disbursements	1,440.18	6,508.43	3,781.87	801.25	326.39	203,680.04
Total Disbursements	1,987,737.72	7,156,138.33	1,537,882.72	993,696.63	24,239.80	3,863,684.20
Net Changes in Restrictions	-14,469.79	-12,368.17	-15,766.29	0.00	0.00	0.00
Cash Available 8/31/91	2,119,469.65	5,076,713.18	950,685.82	248,743.13	118,631.98	1,862,622.39

Receivership #: Receivership Name:	434 Ohio General Ins Co	435 Excalibur Life Ins Co	436 Petrosurance Casualty Co	437 Life of Indiana	438 American Pacer Ins Co	439 Justice Life Ins Co
Cash Available 8/31/90	0.00	249,155.77	1,048.55	0.00	0.00	0.00
Cash Receipts:						
Funds on Date of Receivership		214,338.63			775,364.01	821,596.82
Receivables		30,000.00			451,949.99	270.35
Litigation Settlement						
Securities					8,373.83	
Funds Held - Other						
Sales of Fixed Assets					14,448.78	8,410.50
Other Assets						305.50
Loans Received, net	108,000.00	1,410,000.00		811,657.00	8,061,000.00	652,176.86
Premium Income		385,706.46			690,950.61	5,763.79
Interest	3,491.80	15,928.80	29.06	4,947.30	20,912.40	25,738.27
Rent Income						
Recovered Expenses		2,647.50			2,920.35	272.74
Miscellaneous Receipts		-133.77	29.20		-1,442.61	-447.93
Total Receipts	111,491.80	2,058,487.62	58.26	816,604.30	10,024,477.36	1,514,086.90
Total Cash Available and Cash Receipts 8/31/91	111,491.80	2,307,643.39	1,106.81	816,604.30	10,024,477.36	1,514,086.90
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	18,007.49	56,895.45		17,770.58	445,836.52	117,742.94
Receivership / Company		19.00			711,292.47	7,921.94
Contract Labor					60,084.16	25,849.18
Claims:						
Accident & Health		1,196,382.81		547,546.53		449,475.03
Property & Casualty	38,089.83				7,072,233.97	
Title						
Assumptions:						
Accident & Health				211,657.00		137,675.94
Property & Casualty						
Claims Administration Expense	695.36	112,680.75		835.23	235,307.07	17,374.85
Professional Services:						
Auditing						
Accounting		759.10			101,861.71	
Actuarial						
Appraisal						325.00
Consulting						
Legal		1,496.67			229,023.74	47,972.19
Real Estate Services					7,862.62	
Judgments and Settlements		195.00			630.00	90.00
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust					26,339.76	
Distribution of Equity						
Notes Payable Paid						
Taxes					7,903.01	
Interest						
Building Maintenance		288.00			17,095.47	570.62
Computer Related Expenses	1,326.32	5,022.82		1,143.80	103,798.40	13,007.72
Equipment Rental					15,843.97	1,564.94
Insurance					1,461.70	
Moving		299.82			2,467.52	427.81
Office Supplies				15.00	12,684.13	1,081.91
Office Rent					114,191.29	11,005.95
Postage	86.17	1,783.40	23.55	540.21	47,936.58	2,074.28
Reproduction		145.80		206.28	5,408.83	237.71
Recovery Expenses						2,331.49
Security Service Expense					9,449.15	
Storage					6,712.50	
Telephone	55.53	416.00	51.85	137.84	45,770.61	2,428.12
Travel		908.76			65,955.32	7,026.57
Utilities					12,074.92	
Allocated Overhead	2,686.86	11,032.40	940.03	2,580.49	72,925.03	18,232.69
Miscellaneous Disbursements	498.23	2,286.00		214.41	9,454.43	1,815.04
Total Disbursements	61,445.79	1,390,611.78	1,015.43	782,647.37	9,441,604.88	866,231.92
						-626,781.98
Net Changes in Restrictions	0.00	0.00	0.00	0.00	-2,475.03	-21,073.00
Cash Available 8/31/91	50,046.01	917,031.61	91.38	33,956.93	580,397.45	626,781.98

Receivership #:	440	441	442	443	444	445
Receivership Name:	Nat Benefit Life Ins Co	American Independence	Commodore Life Ins Co	International Life Ins Co	American Group Life Ins Co	Commodore Ins Co
Cash Available 8/31/90	447,434.47	0.00	0.00	0.00	0.00	0.00
Cash Receipts:						
Funds on Date of Receivership	234,795.94		101,591.32	453,422.68	19,029.55	817,701.07
Receivables	5,092.65	1,713.98	10,000.00	2,422.02		6,626.61
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets	17,708.10			3,793.50		550,221.85
Other Assets						
Loans Received, net	2,207,000.00	3,284,420.25	505,000.00	656,000.00		367,142.00
Premium Income	1,191,158.62	2,665.88		258,630.87		131.30
Interest	75,714.92	860.58	5,398.68	15,802.87		28,459.00
Rent Income			1,825.11			16,264.78
Recovered Expenses	27,926.14		248.38	1,366.96		6,030.00
Miscellaneous Receipts	83.50			54.00		
Total Receipts	3,759,479.87	3,289,660.69	624,063.49	1,391,492.90	19,029.55	1,792,576.61
Total Cash Available and Cash Receipts 8/31/91	4,206,914.34	3,289,660.69	624,063.49	1,391,492.90	19,029.55	1,792,576.61
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	234,151.06	24,390.83	56,765.48	79,807.37	19,029.55	40,146.77
Receivership / Company	61,816.62			18,115.17		
Contract Labor	77.67		52.27			
Claims:						
Accident & Health	1,684,176.55		167,837.03	428,657.61		
Property & Casualty						
Title						
Assumptions:						
Accident & Health	404,238.98	3,199,020.25				
Property & Casualty						367,142.00
Claims Administration Expense	36,169.77	51.87	10,585.46	6,559.97		
Professional Services:						
Auditing						
Accounting						
Actuarial				3,725.31		
Appraisal	325.00	2,794.85		75.00		5,989.18
Consulting						
Legal	4,606.88		2,732.53			
Real Estate Services		4,290.74				14,948.34
Judgments and Settlements	90.00		270.00	95.00		1,793.95
Foreign Receiver Expense				5,114.72		
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						20,805.89
Taxes		506.51				10,935.34
Interest						59,922.31
Building Maintenance	1,451.61			158.10		
Computer Related Expenses	138,036.15	1,606.20	20,311.94	12,742.48		4,210.16
Equipment Rental						
Insurance		714.54				1,871.91
Moving	145.34		40.45	788.48		
Office Supplies	1,123.58			15.00		
Office Rent	8,000.00					
Postage	14,926.07	207.14	1,345.14	4,217.04		245.20
Reproduction	5,713.68	16.87	15.00	2,405.15		
Recovery Expenses	9,148.87			31,936.47		
Security Service Expense	1,143.85			2,220.48		
Storage	550.00					
Telephone	6,245.68	156.54	348.32	555.00		945.42
Travel	17,687.33		5,033.93	894.05		2,962.06
Utilities	3,365.75					
Allocated Overhead	38,485.35	4,152.38	8,405.54	13,193.03		6,772.96
Miscellaneous Disbursements	27,585.74	18.53	3,811.52	1,986.58		3,390.46
Total Disbursements	2,699,241.53	3,237,927.25	277,554.61	613,262.01	19,029.55	542,081.95
Net Changes in Restrictions	-19,120.71	0.00	0.00	-330,889.00	0.00	0.00
Cash Available 8/31/91	1,488,552.10	51,733.44	346,508.88	447,341.89	0.00	1,250,494.66

Receivership #: / Receivership Name:	446 Legal Protective Life Ins Co	447 Amer Guardian Ins Co	448 Southern Lloyds	449 Ethiopian Mut Life Ins Co	450 Tx Emplorer's Ins Association	451 Amer Protectors Life Ins Co
Cash Available 8/31/90	0.00	0.00	0.00	0.00	0.00	0.00
Cash Receipts:						
Funds on Date of Receivership	653,274.75	2,424,987.42	22,529.70		12,475,373.96	
Receivables	63,538.20	19,058.63	55,813.64		1,255,921.36	
Litigation Settlement					548,666.54	
Securities					16,989,345.25	
Funds Held - Other						
Sales of Fixed Assets	3,510.00	16,908.75				
Other Assets						
Loans Received, net	681,000.00	7,695,000.00	1,470,500.00		33,000,000.00	32,330.00
Premium Income	201,090.19	3,737,971.37	51,069.54		11,998,352.46	
Interest	28,069.97	126,081.29	21,726.48		998,375.94	34.80
Rent Income			6,650.00		378,903.35	
Recovered Expenses	3,848.68	64,100.85			96,249.72	
Miscellaneous Receipts	37,364.72	94.20	3,136.92			
Total Receipts	1,671,696.51	14,084,202.51	1,631,426.28	0.00	77,741,188.58	32,364.80
Total Cash Available and Cash Receipts 8/31/91	1,671,696.51	14,084,202.51	1,631,426.28	0.00	77,741,188.58	32,364.80
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division	86,098.12	280,188.24	161,549.51		283,748.44	3,535.08
Receivership / Company	14,550.73	78,746.90	81,355.79		123.15	
Contract Labor	297.60	17,078.44	258.90		56,892.26	
Claims:						
Accident & Health	507,682.00					
Property & Casualty		7,080,202.70	792,063.29		38,589,546.27	
Title						
Assumptions:						
Accident & Health						
Property & Casualty						
Claims Administration Expense	25,388.38	547,300.71	25,537.93		3,967,549.52	
Professional Services:						
Auditing		42,384.20	494.00		36,800.00	
Accounting	610.50	40,656.64	12,690.00		26,012.00	
Actuarial						
Appraisal		325.00	3,050.00		40,000.00	
Consulting		22,096.09			128,982.72	
Legal	17,941.74	60,540.82	32,378.02		57,044.89	
Real Estate Services			11,444.65			
Judgments and Settlements	447.05	250.00	120.00			
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes			10,012.87		2,463.00	
Interest						
Building Maintenance	124.41	235.60	765.64			
Computer Related Expenses	7,069.68	20,941.32	13,687.79		1,677.87	
Equipment Rental		2,647.46	356.98		2,497.38	
Insurance			51,616.00			
Moving	157.61		210.00		41.00	
Office Supplies		1,420.40	859.78		881.01	
Office Rent		10,764.00			4,197.84	
Postage	919.17	6,494.15	6,850.86		2,316.30	36.55
Reproduction	78.50	709.74	1,868.71		11,827.57	
Recovery Expenses		242,937.50				
Security Service Expense	408.82	20,092.00				
Storage						
Telephone	881.28	11,162.29	2,993.80		369.77	
Travel	4,407.83	33,829.28	16,459.53		42,898.99	
Utilities			3,497.80			
Allocated Overhead	13,691.35	49,253.88	33,251.61		42,285.28	694.36
Miscellaneous Disbursements	241.91	820.12	-14,416.57		85,899.24	505.75
Total Disbursements	680,996.68	8,571,077.48	1,248,956.89	0.00	43,384,054.50	4,771.74
Net Changes in Restrictions	-220,191.72	-174,210.31		0.00	0.00	0.00
Cash Available 8/31/91	770,508.11	5,338,914.72	382,469.39	0.00	34,357,134.08	27,593.06

Receivership #: Receivership Name:	452 Midwest Life Ins Co	453 Indemnity Underwriters	454 Edison Ins Co	455 Amer Universal Ins Co	456 Equity American Ins Co	457 Western Empl Ins Co
Cash Available 8/31/90	0.00	0.00	0.00	0.00	0.00	0.00
Cash Receipts:						
Funds on Date of Receivership		524,266.25			470,293.48	
Receivables		10,296.25			599.60	
Litigation Settlement						
Securities						
Funds Held - Other						
Sales of Fixed Assets					102,000.00	270,000.00
Other Assets		214,000.00	225,000.00		273,000.00	
Loans Received, net		2,744.19			2,139.70	2,363.74
Premium Income		7,118.85	1,940.23			
Interest						
Rent Income						
Recovered Expenses			109.63			
Miscellaneous Receipts						
Total Receipts	0.00	758,425.54	227,049.86	0.00	848,032.78	272,363.74
Total Cash Available and Cash Receipts 8/31/91	0.00	758,425.54	227,049.86	0.00	848,032.78	272,363.74
Cash Disbursements:						
Salaries and Benefits:						
Liquidation Division		91,777.25	11,013.91		109,352.72	
Receivership / Company		6,973.19			84,308.43	
Contract Labor					8,467.95	
Claims:						
Accident & Health						
Property & Casualty		31,392.01	47,738.70		22,555.00	78,057.18
Title						
Assumptions:						
Accident & Health						
Property & Casualty					85.95	50.00
Claims Administration Expense						
Professional Services:						
Auditing		360.00				
Accounting						
Actuarial						
Appraisal						
Consulting		8,239.02			473.62	
Legal					110.00	
Real Estate Services		400.00				
Judgments and Settlements						
Foreign Receiver Expense						
General Creditor Paid						
Escrow Settlement Expense						
A/P - Funds in Trust						
Distribution of Equity						
Notes Payable Paid						
Taxes					1,414.83	
Interest					17,356.58	
Building Maintenance		1,115.16			634.87	
Computer Related Expenses						
Equipment Rental						
Insurance					4,200.04	
Moving		379.23			47,360.06	
Office Supplies					26,759.10	
Office Rent		1,603.94	353.53			
Postage		7,855.35			119.14	
Reproduction					913.63	
Recovery Expenses		9,326.82				
Security Service Expense		234.00				
Storage		444.31			4,328.12	
Telephone		9,533.27			14,197.46	
Travel		400.47			2,399.98	
Utilities		12,430.64	1,563.93		8,853.44	1,067.04
Allocated Overhead		253.56				
Miscellaneous Disbursements						
Total Disbursements	0.00	182,718.22	60,670.07	0.00	353,890.92	79,174.22
Net Changes in Restrictions	0.00	0.00	0.00	0.00	0.00	0.00
Cash Available 8/31/91	0.00	575,707.32	166,379.79	0.00	494,141.86	193,189.52

Receivership #: / Receivership Name:	458 George Wash Life Ins Co	459 International Service Ins Co	460 Ensign Life Ins Co	Total Receiverships
Cash Available 8/31/90	0.00	0.00	0.00	115,616,023.85
Cash Receipts:				
Funds on Date of Receivership		3,565.47		22,775,807.17
Receivables		51,770.50		14,470,111.13
Litigation Settlement				2,459,528.75
Securities				19,986,721.41
Funds Held - Other				1,442.62
Sales of Fixed Assets				1,797,711.51
Other Assets				12,305.50
Loans Received, net				133,511,968.60
Premium Income				19,328,557.39
Interest		836.58		8,593,123.58
Rent Income				444,229.69
Recovered Expenses		3,511.46		388,183.84
Miscellaneous Receipts		4,007.90		458,059.42
Total Receipts	0.00	63,691.91	0.00	224,227,750.61
Total Cash Available and Cash Receipts 8/31/91	0.00	63,691.91	0.00	339,843,774.46
Cash Disbursements:				
Salaries and Benefits:				8,975.54
Liquidation Division		5,391.99		8,640,188.27
Receivership / Company				1,290,659.38
Contract Labor		2,826.27		356,552.60
Claims:				
Accident & Health				46,306,503.44
Property & Casualty				83,263,348.73
Title				2,043,589.84
Assumptions:				
Accident & Health				9,425,530.23
Property & Casualty				367,142.00
Claims Administration Expense				7,760,089.98
Professional Services:				
Auditing				123,226.88
Accounting				634,312.59
Actuarial				46,082.00
Appraisal				117,664.22
Consulting				334,517.17
Legal				7,093,339.55
Real Estate Services		139.94		101,728.29
Judgments and Settlements				286,093.16
Foreign Receiver Expense				359,541.66
General Creditor Paid				31,280.09
Escrow Settlement Expense				322,085.46
A/P - Funds in Trust				576,060.29
Distribution of Equity				1,692,877.87
Notes Payable Paid				102,815.93
Taxes				423,760.67
Interest				85,702.41
Building Maintenance				68,146.22
Computer Related Expenses		1,080.00		905,818.53
Equipment Rental				31,989.61
Insurance				352,872.09
Moving				23,249.89
Office Supplies				38,186.47
Office Rent		3,000.00		264,187.10
Postage				261,630.70
Reproduction				71,576.56
Recovery Expenses				339,903.08
Security Service Expense				46,106.50
Storage				27,702.92
Telephone				161,509.84
Travel				278,139.54
Utilities				26,082.32
Allocated Overhead				1,427,211.36
Miscellaneous Disbursements				1,318,412.03
Total Disbursements	0.00	12,438.20	0.00	177,436,393.01
Net Changes in Restrictions	0.00	0.00	0.00	-2,996,376.56
Cash Available 8/31/91	0.00	51,253.71	0.00	159,411,004.89

NOTES:

1) Several receivership estates show negative total receipts for the fiscal year ended 8/31/91; this is because the loans made to the estates are netted with the repayment of the loan.

2) Receiverships numbered 201, 205, 249, 253, 254, 258, 272, 280, 284, 285, 294, 298, 299, 306, 310, 314, 318, 326, 347, 353, 402, 416, 436, 444, 449, and 452 were closed by Court Order during the fiscal year ended 8/31/91.

3) Receiverships numbered 449, 452, 455, 458, and 460 had no recorded activity as of 8/31/91.

TEXAS PROPERTY & CASUALTY INSURANCE GUARANTY ASSOCIATION
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the period September 1, 1990 - August 31, 1991 (Unaudited)

	Totals	Other Lines	Worker's Compensation	Auto	Administrative	Collection
Balance as of September 1, 1990	$27,541,332.73	$5,555,210.58	$6,936,598.37	$13,387,419.04	$1,612,043.61	$50,061.13
Receipts						
Interest On Accounts	2,260,919.63	15,057.67	28,740.26	23,982.92	2,090,994.80	102,143.98
Transfers From:						
Other Lines	314,077.18			300,000.00	14,077.18	
Collection	55,825,217.91	8,691,621.00	18,324,931.00	28,671,244.00	137,421.91	
Auto	21,841.48				21,841.48	
Administrative	422,770.00		422,770.00			
Workers Comp	24,510.52				24,510.52	
Unauthorized P&C	13,920.96				13,920.96	
October 1989 Assessment	178,830.00					178,830.00
October 1990 Assessment	40,640,241.00					40,640,241.00
June 1991 Assessment	80,461,065.00					80,461,065.00
Computer Rental Reimbursement	304,202.77				304,202.77	
Texas Commerce Bank - Draw	27,000,000.00		27,000,000.00			
Loan Repayments:						
Interstate Ins. Co.	2,000.00				2,000.00	
Mobil Insurance Co.	60,500.00				60,500.00	
Reserve Insurance Co.	14,581.94				14,581.94	
Proprietors Insurance Co.	19,000.00				19,000.00	
Security Casualty Co.	1,346.00				1,346.00	
Granite State Ins. Co.	6,000.00				6,000.00	
Equitable Ins. Exchange	2,000.00				2,000.00	
Oklahoma Ins. Logistics	1,031,162.51		110,059.50	807,103.01	114,000.00	
Excalibur Insurance Co.	17,000.00				17,000.00	
Ideal Mutual Ins. Co.	200,000.00				200,000.00	
Columbus Insurance Co.	82,000.00				82,000.00	
United Employers Ins. Co.	18,000.00				18,000.00	
Transit Casualty Ins. Co.	1,355,000.00				1,355,000.00	
Iowa National Mutual	33,800.98		20,000.00	2,800.98	11,000.00	
Security Casualty Co.	57,303.32				57,303.32	
Dexter Lloyds Ins. Co.	600,000.00				600,000.00	
Mission National Ins. Co.	14.41				14.41	
Preferred Employers Ins. Co.	281,917.90				281,917.90	
Contractors Ins. Exchange	21,609.99				21,609.99	
Lloyds, Texas	307,000.00		30,000.00		277,000.00	
Texas National Ins. Co.	49,000.00				49,000.00	
N. American Lloyds	250,000.00			250,000.00		
Texas Insurance Co.	68,973.13				68,973.13	
American Guardian Insur.	250,000.00		250,000.00			
Southern Lloyds	500.00	500.00				
Commodore County Mutual	1,552,069.00			1,552,069.00		
Western Lloyds	443,000.00			93,000.00	350,000.00	
Total Receipts	$214,191,375.63	$8,707,178.67	$46,186,500.76	$31,700,199.91	$6,215,216.31	$121,382,279.98
Total Funds Available	$241,732,708.36	$14,262,389.25	$53,123,099.13	$45,087,618.95	$7,827,259.92	$121,432,341.11

	Totals	Other Lines	Worker's Compensation	Auto	Administrative	Collection
Disbursements						
Transfers To:						
Other Lines	8,691,621.00					8,691,621.00
Auto	28,971,244.00	300,000.00				28,671,244.00
Worker's Compensation	18,747,701.00				422,770.00	18,324,931.00
Administrative	203,230.54	14,463.04	27,512.45	22,860.04		138,395.01
Other G.A.	8,923.42				6,788.42	2,135.00
Texas Commerce Bank - Loan Payment	27,000,000.00					27,000,000.00
Loans To Receiverships:						
Kenilworth Ins. Co.	20,000.00	20,000.00				
Cotton Belt Ins.	275,000.00	275,000.00				
Pacific American Ins. Co.	240,000.00	25,000.00		150,000.00	65,000.00	
Excalibur Insurance Co.	50,000.00		50,000.00			
Southeast Indemnity	300,000.00		300,000.00			
Ideal Mutual Ins. of N.Y.	25,803.22	803.22		25,000.00		
Commercial Standard	85,000.00		85,000.00			
Early American Ins. Co.	40,000.00				40,000.00	
Eastern Indemnity of Maryland	116,000.00				116,000.00	
Union Indemnity of New York	15,000.00				15,000.00	
Transit Casualty Co.	906,606.44	606,606.44	250,000.00	50,000.00		
Carriers Insurance Co.	150,000.00		150,000.00			
American Fidelity Fire	500.00			500.00		
Texas Fire & Casualty	132,860.00	132,860.00				
Midland Insurance Co.	1,983,062.47	1,798,062.47	185,000.00			
Western Preferred Casualty	35,000.00			35,000.00		
Allied Fidelity Ins. Co.	385,000.00	75,000.00		275,000.00	35,000.00	
National Allied Ins. Co.	1,365,000.00		1,365,000.00			
Dexter Lloyds	150,000.00			150,000.00		
Mission Insurance	235,000.00	100,000.00	75,000.00		60,000.00	
Mission National Ins. Co.	625,000.00	150,000.00	275,000.00		200,000.00	
Preferred Employers Ins. Co.	180,000.00		180,000.00			
Integrity Ins. Co.	250,133.87	250,133.87				
Contractors Insurance Exc.	536,300.00	1,300.00	535,000.00			
Citizens National Assur. Co.	420,000.00		50,000.00	200,000.00	170,000.00	
Professional Mutual Ins. Co.	1,145,000.00	1,050,000.00			95,000.00	
Homeland Insurance Co.	225,000.00		225,000.00			
Best Lloyds Insurance Co.	1,075,000.00			1,075,000.00		
Lloyds, Texas	135,000.00		135,000.00			
National County Mutual Fire	6,600,000.00	200,000.00		3,900,000.00	2,500,000.00	
Stone Mountain Ins. Co.	616,500.00	475,000.00		51,500.00	90,000.00	
Empire Casualty Co.	45,000.00				45,000.00	
American Mutual Liab. Ins.	380,000.00	50,000.00	245,000.00		85,000.00	
N. American Lloyds of Texas	2,250,000.00	350,000.00	75,000.00	1,825,000.00		
First Southwest Lloyds	805,000.00	325,000.00		225,000.00	255,000.00	
General Indemnity Ins. Co.	825,000.00	50,000.00		775,000.00		
Pacific Marine Ins. Co.	15,000.00				15,000.00	
Texas Insurance Co.	2,555,000.00	150,000.00		2,305,000.00	100,000.00	
Paxton National Ins.	215,000.00			200,000.00	15,000.00	
Great Atlantic Ins.	21,000.00	21,000.00				
Cadillac Insurance Co.	855,000.00	535,000.00		215,000.00	105,000.00	
First National Indemnity	1,750,000.00			1,750,000.00		
Southwest American Lloyds	1,375,000.00	875,000.00		500,000.00		
Essex Lloyds, Insurance	850,000.00			850,000.00		
Intercontinental Ins. Co.	20,000.00				20,000.00	
Lloyds, U.S.	3,100,000.00	250,000.00	1,700,000.00	1,150,000.00		
Ohio General Insurance Co.	108,000.00	53,000.00		15,000.00	40,000.00	
American Pacer Insurance	8,061,000.00	285,500.00		7,250,500.00	525,000.00	
American Guardian Ins.	7,945,000.00	95,000.00	7,850,000.00			
Southern Lloyds	1,471,000.00	650,500.00		500,500.00	320,000.00	
Texas Employers Ins. Assoc.	39,000,000.00		39,000,000.00			
Indemnity Underwriters Lloyds	214,000.00	106,500.00		107,500.00		
Edison Insurance Co.	225,000.00	100,000.00		100,000.00	25,000.00	
Equity American Ins. Co.	102,000.00	500.00		101,500.00		
Western Employers Ins.	270,000.00	150,000.00	100,000.00	20,000.00		
Commodore County Mutual	367,142.00	155,775.00		211,367.00		
Interest Expense	896,811.62				136,353.29	760,458.33
Legal Expenses	63,722.91				63,722.91	
Audit Expenses	3,945.00				3,945.00	
Consulting Expenses	22,133.46				22,133.46	
Lease Expense	498,844.62				498,844.62	
Capital Outlays	103,287.50				103,287.50	
Miscellaneous Expenses	1,848.09				1,848.09	
Total Disbursements	$176,355,221.16	$9,677,004.04	$52,857,512.45	$24,036,227.04	$6,195,693.29	$83,588,784.34
Balance as of August 31, 1991	$65,377,487.20	$4,585,385.21	$265,586.68	$21,051,391.91	$1,631,566.63	$37,843,556.77

Texas Property and Casualty Insurance Guaranty Association

Statement of Cash Receipts and Disbursements for the Period September 1, 1990 – August 31, 1991
(Unaudited)

Balance Consists of:	
Auto Account	
Texas Commerce Bank	$ 48,542.44
Fidelity Mutual Fund	21,002,849.47
	21,051,391.91
Other Lines Account	
Texas Commerce Bank	23,936.56
Fidelity Mutual Fund	4,561,448.65
	4,585,385.21
Workers Compensation Account	
Texas Commerce Bank	50,056.79
Fidelity Mutual Fund	215,529.89
	265,586.68
Administrative Account	
Texas Commerce Bank	159,536.22
Fidelity Mutual Fund	1,472,030.41
	1,631,566.63
Collection Account	
Texas Commerce Bank	20,005.57
Fidelity Mutual Fund	37,823,551.20
	37,843,556.77
Balance as of August 31, 1991	$ 65,377,487.20

Texas Property and Casualty Insurance Guaranty Association – Non-Member

Statement of Cash Receipts and Disbursements for the Period September 1, 1990 – August 31, 1991
(Unaudited)

Balance as of September 1, 1990	$ 277,766.56
Receipts:	
Interest on Accounts	22,313.20
October 1989 Assessment	265.00
Loan Repayments:	
Pioneer Casualty Co.	14,000.00
Phoenix Adjustment Service	1,000.00
Ray Medina & Union Fidelity	5,000.00
Granite State Ins. Co.	6,000.00
American Managers, Inc.	13,000.00
ADCO Fire & Casualty	50,000.00
Professional Risk Management	4,504.70
Bluff Farmers Mutual Ins. Co.	100,000.00
Fran T. Gordon	58,259.94
TMIC Insurance Co.	6,000.00
United Travelers Insurance	40,000.00
Total Receipts	320,342.84
Total Funds Available	598,109.40
Disbursements:	
Transfers:	
TP&C - Authorized	13,135.42
Receivership loans:	
Premier Group Services	5,000.00
George D. Albright	3,000.00
Gulf Coast Insurance Co.	7,000.00
Total Disbursements	28,135.42
Balance as of August 31, 1991	$ 569,973.98
Balance Consists of:	
Texas Commerce Bank	$ 39,399.40
Fidelity Mutual Fund	530,574.58
Balance as of August 31, 1991	$ 569,973.98

Texas Life, Accident, Health & Hospital Service Insurance Guaranty Association
Statement Of Cash Receipts And Disbursements
For the period September 1, 1990 - August 31, 1991 (Unaudited)

	Totals	Accident & Health	Life	Annuity	Annuity Collection	Expense	A&H Collection
Balance as of September 1, 1990	$5,387,383.24	$260,801.62	$172,205.60	$7,380.12	$19,837.56	$2,874,652.90	$2,052,505.44
Receipts							
Interest on Accounts	732,365.69	58,783.35	16,125.69	18,550.37	1,288.61	504,395.74	133,221.93
Transfers From:							
Unauthorized - LA&H	1,062.88					1,062.88	
Annuity	2,182,519.20	55,881.24	2,109,319.99			17,317.97	
Annuity Collection	1,619.32					1,619.32	
Expense	3,840,000.00	3,840,000.00					
Collection	62,413,583.48	52,603,773.00	7,253,345.00	2,415,733.00		140,732.48	
Life	1,261,656.03	1,245,000.00				16,656.03	
Accident & Health	1,503,698.47		1,448,964.00			54,734.47	
Texas Commerce Bank - Draw	28,137,428.00	22,637,428.00	600,000.00	4,900,000.00			
Annuity Assessment	14,660.00				14,660.00		
October 1990 A&H Assessment	58,178,214.00						58,178,214.00
June 1991 A&H Assessment	23,658,272.56						23,658,272.56
Computer Reimbursement	304,202.77					304,202.77	
Loan Repayments:							
General Protective Life	530,149.75	127,235.94	402,913.81				
American Guaranty Life	32,669.41		16,193.50	7,975.91		8,500.00	
United Capitol Life Ins. Co.	85,000.00	70,000.00	15,000.00				
First United Life	55,000.00					55,000.00	
United Bankers Life Ins. Co.	73,000.00					73,000.00	
Iowa State Travelers Mutual	30,451.88	30,451.88					
Independent Standard Ins. Co.	43,582.21	2,950.66	1,131.55			39,500.00	
California Life Ins.	1,346,022.18					1,346,022.18	
Continental Bankers Life	45,544.49		45,544.49				
Keystone Life Ins. Co.	929,093.30					929,093.30	
International Fidelity Life	120,000.00					120,000.00	
Farm & Ranch Life	13,346.38					13,346.38	
Hermitage Health & Life	792.00	792.00					
Credit Guard Life	85,000.00					85,000.00	
Gibson National Life	795,000.00		300,000.00			495,000.00	
American Teachers Life	224,384.00			224,384.00			
Knickerbocker Life Ins.	8,437,400.88			8,306,276.48		131,124.40	
G.I.C. Insurance Co.	470,000.00					470,000.00	
Americana Life Ins. Co.	50,000.00					50,000.00	
Confidence Life Ins. Co.	3,489.36		3,489.36				
Galaxia Life Ins. Co.	20,000.00					20,000.00	
Amalgamated Labor Life	9,000.18					9,000.18	
Regent Life Ins. Co.	170,572.64	133,342.47	37,230.17				
Cadillac Insurance Co.	250,000.00	250,000.00					
Justice Life Ins.	22,823.14					22,823.14	
Total Receipts	$196,071,604.20	$81,055,638.54	$12,249,257.56	$15,872,919.76	$15,948.61	$4,908,131.24	$81,969,708.49
Total Funds Available	$201,458,987.44	$81,316,440.16	$12,421,463.16	$15,880,299.88	$35,786.17	$7,782,784.14	$84,022,213.93

	Totals	Accident & Health	Life	Annuity	Annuity Collection	Expense	A&H Collection
Disbursements							
Transfers To:							2,415,733.00
Annuity	2,415,733.00						7,253,345.00
Life	10,811,628.99	1,448,964.00		2,109,319.99			148,555.08
Expense	241,336.23	56,129.82	17,104.72	18,327.43	1,219.18		52,603,773.00
Accident & Health	57,744,654.24		1,245,000.00	55,881.24		3,840,000.00	355.00
Unauthorized	551,226.60					550,871.60	
Texas Commerce Bank - Note Pymt	44,550,000.00	35,449,760.00	4,722,080.00	4,378,160.00			4,416.58
Assessment Refunds	4,416.58						
Loans To Receiverships:							
Old National Ins. Co.	60,000.00		60,000.00				
Iowa State Travelers Mutual	324,127.90	324,127.90					
Continental Bankers Life Ins.	50,010.62	50,000.00	10.62				
Hermitage Health and Life	10,000.00					10,000.00	
International Fidelity Life	85,000.00		25,000.00			60,000.00	
Farm & Ranch Life Ins. Co.	25,000.00					25,000.00	
Western Heritage Life Ins.	300,000.00	300,000.00					
First Columbia Life Ins.	420,000.00	350,000.00				70,000.00	
Credit Guard Life Ins. Co.	30,000.00					30,000.00	
First Transcontinental Life	20,000.00					20,000.00	
Gibson National Life Ins.	900,000.00	400,000.00		500,000.00			
Lumbermen's Life Ins. Co.	10,000.00					10,000.00	
American Teachers Life	2,874,384.00	2,100,000.00	324,384.00	450,000.00			
Knickerbocker Life Ins. Co.	3,475,495.83	6,398.40	1,898,297.11	1,570,800.32			
U.S. Annuity Life Ins. Co.	1,400,586.80		53,775.22	1,346,811.58			
G.I.C. Insurance Co.	2,480,750.00	2,200,000.00	280,750.00				
American Underwriters Life	26,000.00					26,000.00	
Consolidated Benefit Health	590,000.00	450,000.00				140,000.00	
Texas Investors Life Ins.	3,145,000.00	3,145,000.00					
Galaxia Life Ins. Co.	6,175,000.00	6,175,000.00					
Amalgamated Labor Life Ins.	290,000.00	250,000.00				40,000.00	
Regent Life Ins. Co.	299.00		299.00				
California Pacific Life	1,235,000.00	1,175,000.00				60,000.00	
Southern National Life	4,330,000.00	3,355,000.00	205,000.00	750,000.00		20,000.00	
Texas Consumer Life	3,092,597.00	2,972,597.00	120,000.00				
American Equitable Life	4,772,850.00	4,122,850.00	250,000.00	400,000.00			
American Sun Life Ins. Co.	8,500.00		3,500.00			5,000.00	
Allied Bankers Life	4,101,000.00	4,100,500.00	500.00				
Cadillac Insurance Co.	250,000.00	250,000.00					
Great Southwest Life	7,814,023.36	4,922,464.00	2,076,559.36	815,000.00			
Excalibur Life Ins.	1,710,000.00	1,705,000.00	5,000.00				
Life of Indiana	600,000.00	575,000.00				25,000.00	
Justice Life Insurance	675,000.00	620,000.00	5,000.00			50,000.00	
National Benefit Life	2,207,000.00	1,886,000.00	321,000.00				
American Independence Life	3,284,420.25		400.00	3,239,020.25		45,000.00	
Commodore Life Ins.	505,000.00	235,000.00	270,000.00				
International Life Ins.	856,000.00	805,000.00	51,000.00				
Legal Protective Life	681,000.00	520,000.00	111,000.00			50,000.00	
American Protectors Life	32,330.00	3,330.00	13,300.00	5,700.00		10,000.00	
Consulting Expenses	12,026.00					12,026.00	
Lease Expense	502,293.31					502,293.31	
Capital Outlay	103,287.50					103,287.50	
Legal Expenses	46,159.50					46,159.50	
Audit Expenses	2,625.00					2,625.00	
Interest Expense	1,774,728.34	1,325,913.28	176,571.28	135,890.44		136,353.34	
Travel Expense	2,776.44					2,776.44	
Membership Fees	15,342.00					15,342.00	
Miscellaneous Expenses	11,990.13					11,990.13	
Total Disbursements	$177,616,598.62	$81,259,034.40	$12,235,531.31	$15,774,911.25	$1,219.18	$5,919,724.82	$62,426,177.66
Balance as of August 31, 1991	$23,842,388.82	$57,405.76	$185,931.85	$105,388.63	$34,566.99	$1,863,059.32	$21,596,036.27

Texas Life, Accident, Health & Hospital Service Insurance Guaranty Association

Statement of Cash Receipts and Disbursements for the Period September 1, 1990 – August 31, 1991
(Unaudited)

Balance Consists of:		
Accident & Health Account		
Texas Commerce Bank	$ 47,405.76	
Fidelity Mutual Fund	10,000.00	
		57,405.76
Life Account		
Texas Commerce Bank	25,931.85	
Fidelity Mutual Fund	160,000.00	
		185,931.85
Annuity Account		
Texas Commerce Bank	45,388.63	
Fidelity Mutual Fund	60,000.00	
		105,388.63
Expense Account		
Texas Commerce Bank	61,615.32	
Fidelity Mutual Fund	1,801,444.00	
		1,863,059.32
Collection Account		
Texas Commerce Bank	-487.89	
Fidelity Mutual Fund	21,596,524.16	
		21,596,036.27
Annuity Collection Account		
Texas Commerce Bank	34,566.99	
		34,566.99
Balance as of August 31, 1991		$ 23,842,388.82

Texas Life, Accident, Health & Hospital Service Insurance Guaranty Association – NON-MEMBER

Statement of Cash Receipts and Disbursements for the Period September 1, 1990 – August 31, 1991
(Unaudited)

Balance as of September 1, 1990	$ 437,195.00
Receipts:	
Interest on Accounts	25,844.47
September 1989 Assessment	10,945.00
Loan Repayments:	
Old National Ins. Co.	19,000.00
Credit Factoring	5,000.00
Phoenix Fidelity Life	11,000.00
Norman Cowart, Nassau Life	97,000.00
Old World Society	63,500.00
Texas Ind. School Systems	51,000.00
First Service Life	17,918.82
Total Receipts	301,208.29
Total Funds Available	738,403.29
Disbursements:	
Transfers:	
Authorized LA&H	74,544.12
Loans to Receiverships:	
Credit Factoring, Inc.	7,000.00
National Bankers Life Ins.	9,500.00
Ministers Benefit Trust	5,000.00
American Real Estate Assoc.	7,000.00
Christian Brotherhood	43,000.00
United Travelers Insurance	12,000.00
Total Disbursements	158,044.12
Balance as of August 31, 1991	$ 580,359.17
Balance Consists of:	
Texas Commerce Bank	$ 28,112.77
Fidelity Mutual Fund	552,246.40
Balance as of August 31, 1991	$ 580,359.17

Texas Title Insurance Guaranty Association

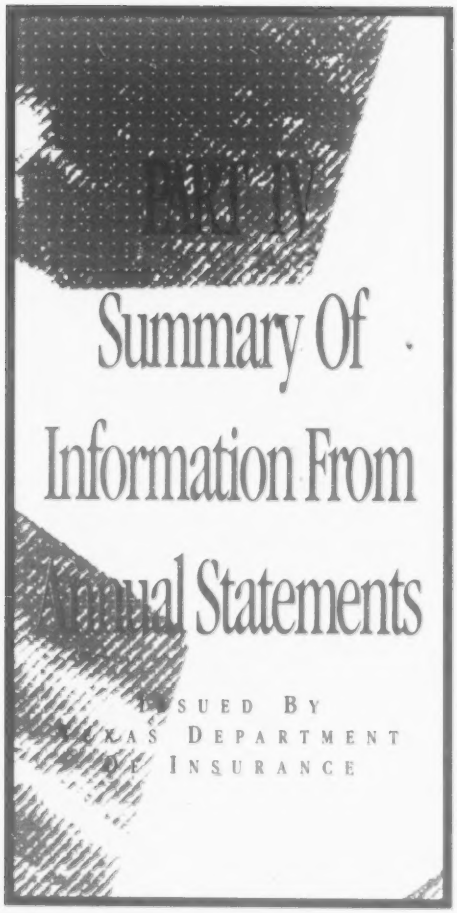
Statement of Cash Receipts and Disbursements for the Period September 1, 1990 – August 31, 1991
(Unaudited)

Balance Consists of:	
Administrative Account	
Texas Commerce Bank	$ 35,330.97
Fidelity Mutual Fund	850,000.00
	885,330.97
Recoupment Account	
Texas Commerce Bank	1,329.86
Fidelity Mutual Fund	200,000.00
	201,329.86
Fee Account	
Texas Commerce Bank	111,462.44
Fidelity Mutual Fund	4,150,000.00
	4,261,462.44
Title Account	
Texas Commerce Bank	55,619.20
Fidelity Mutual Fund	6,000,000.00
	6,055,619.20
Balance as of August 31, 1991	$ 11,403,742.47

Texas Title Insurance Guaranty Association

Statement of Cash Receipts and Disbursements for the Period September 1, 1990 – August 31, 1991
(Unaudited)

Balance as of September 1, 1990	$ 7,352,233.70
Receipts:	
Interest on Accounts	647,541.99
Transfers From:	
Title Account	31,061.48
Fee Account	46,568.73
Recoupment Account	16,725.69
Title Fees Collected	2,533,722.31
Recoupment Fees Collected	3,538,621.20
Nov. 1990 Title Assessment	6,215,305.00
Loan Repayments:	
First Houston Title	28,414.72
Texas National Title	26,344.69
Title U.S.A.	50,000.00
Total Receipts	13,134,305.81
Total Funds Available	20,486,539.51
Disbursements:	
Recoupment Charges Refunded	3,446,525.52
Transfers To:	
Administrative Account	94,355.90
Audit Services	1,500.00
Legal Services	36,759.26
Miscellaneous	2,126.55
S.B.I. Operating Expenses:	
Salaries	190,437.22
Travel Expense	30,854.02
Seminar Expense	1,853.00
Telephone Expense	1,105.65
Office Furniture & Equip.	702.84
Office Supplies	499.07
Office Rent	1,078.01
Loans to Receiverships:	
Federal Title Company	20,000.00
First Houston Title	10,000.00
North Texas Title	590,000.00
Summit Title Company	235,000.00
Texas National Title Co.	60,000.00
Texas Republic Title	10,000.00
Title U.S.A.	4,350,000.00
Total Disbursements	9,082,797.04
Balance as of August 31, 1991	$ 11,403,742.47


PART IV
Summary Of
Information From
Annual Statements
ISSUED BY
TEXAS DEPARTMENT
OF INSURANCE

GRAND TOTAL – TEXAS PREMIUM SUMMARY 1989 - 1990

Figure IV-1

	As of December 31, 1989	As of December 31, 1990
Total Property & Casualty	$ 15,179,190,130	$ 16,762,071,618
Total Life & Annuity	6,510,189,320	6,669,273,284
Total Accident & Health	6,147,863,748	7,714,589,543
Health Maintenance Organizations	1,771,929,684	1,999,234,020
Non-Profit Legal Services Corporations	613,757	663,732
Total	$ 29,609,786,639	$ 33,145,832,197

TEXAS PREMIUM SUMMARY – PROPERTY AND CASUALTY 1989 - 1990

Figure IV-2

	As of December 31, 1989	As of December 31, 1990
Rate Regulated*		
Automobile	$ 4,594,495,832	$ 4,902,451,391
Workers' Compensation	3,463,309,147	4,158,454,167
Fire & Allied Lines	2,706,677,532	2,873,390,446
Liability	2,064,039,066	2,102,475,827
Title	310,765,231	353,413,387
Other	386,515,239	367,018,049
Non-Rate Regulated		
Farm Mutual Companies	83,256,062	91,096,570
County Mutual Companies **	1,006,510,706	1,195,545,727
Unauthorized & Surplus Lines	563,621,315	718,226,054
Total	$ 15,179,190,130	$ 16,762,071,618

* *Includes Lloyd's companies which are not rate regulated as to Fire and Allied Lines*
** *Primarily automobile including mobile homes*

Texas Premium Summary – Life, Accident & Health and Annuity: 1989 - 1990

Figure IV-3

	As of December 31, 1989	As of December 31, 1990
Life & Annuity — Legal Reserve		
Ordinary Life	$ 3,348,872,122	$ 3,391,650,461
Group	745,427,485	721,802,355
Industrial	24,151,840	21,421,352
Credit	175,477,536	164,020,706
Annuity	2,185,476,008	2,336,888,789
Life & Annuity — Other Than Legal Reserve		
Life	30,724,175	33,330,832
Annuity	60,154	158,789
Accident & Health — Legal Reserve		
Group	4,041,625,389	4,985,665,016
Individual	989,999,450	1,488,784,153
Credit	135,631,264	131,919,015
Accident & Health – Other Than Legal Reserve		
Group	902,258,104	1,028,632,658
Individual	78,349,541	79,588,701
Total	$ 12,658,063,068	$ 14,383,862,827

Legal Reserve Life Insurance Companies: For Calendar Year 1990 (All Companies Combined)

Figure IV-4

	Texas Companies	Foreign Companies
Net Premium Income		
Life Insurance	$ 3,519,394,150	$ 117,069,938,733
Accident & Health	3,497,751,389	55,987,668,996
Net Gain From Operations	990,343,310	10,415,373,380
Admitted Assets	40,757,129,317	1,397,368,054,792
Liabilities	35,411,431,527	1,316,711,036,631
Capital Paid-Up	245,280,639	2,417,090,828
Surplus (Excluding Capital Paid-Up)	$ 5,100,417,151	$ 78,239,927,333

LEGAL RESERVE LIFE INSURANCE COMPANIES: FOR CALENDAR YEAR 1990 (TEXAS BUSINESS ONLY)

Figure IV-5

Texas Companies

	Ordinary	Group	Industrial	Credit Life
Life Premiums	$ 543,654,677	$ 92,086,064	$ 4,159,136	$ 90,072,995
Annuity Considerations	333,833,004	23,739,555	-0-	-0-
Other Lines of Business	7,832	-0-	-0-	-0-
Annuity & Other Fund Deposits	40,306,433	96,477,266	-0-	-0-
Life/Annuity Policy Dividends	11,834,795	-0-	-0-	-0-
Claims & Benefits	645,416,480	176,337,738	7,452,574	25,105,475

	Premiums Written	Benefits Paid	Dividends Paid
Accident & Health			
Group	$ 2,074,077,868	$ 1,685,261,477	$ -0-
Individual	267,839,287	133,223,950	448
Credit	61,916,278	27,449,887	274,402

Foreign Companies

	Ordinary	Group	Industrial	Credit Life
Life Premiums	$ 2,702,813,326	$ 629,716,291	$ 17,262,216	$,73,947,711
Annuity Considerations	1,525,629,841	483,686,389	-0-	-0-
Other Lines of Business	1,286,756	-0-	-0-	-0-
Annuity & Other Fund Deposits	724,454,856	1,405,865,080	-0-	-0-
Life/Annuity Policy Dividends	492,881,328	25,632,645	4,176,482	1,730,695
Claims & Benefits	2,410,845,250	2,263,375,334	22,849,622	31,147,125

	Premiums Written	Benefits Paid	Dividends Paid
Accident & Health			
Group	$ 2,911,587,148	$ 2,219,296,884	$ 8,325,131
Individual	769,744,411	387,247,126	1,475,630
Credit	70,002,737	36,924,030	1,618,959

STIPULATED PREMIUM COMPANIES: FOR CALENDAR YEAR 1990 (ALL COMPANIES COMBINED)

Figure IV-6

Net Premium Income	
Life Insurance	$ 27,792,161
Accident & Health Insurance	94,287,834
Admitted Assets	241,789,749
Liabilities	170,630,478
Capital Paid-Up	5,376,492
Surplus (Excluding Capital Paid-Up)	65,782,779
Net Gain from Operations	8,382,631

Texas Business Only

	Ordinary	Annuity	Accident & Health
Premiums	$ 30,633,575	$ 158,516	$ 72,911,138
Claims and Benefits	13,102,722	-0-	41,963,600

FRATERNAL BENEFIT SOCIETIES
FOR CALENDAR YEAR 1990 (ALL SOCIETIES COMBINED)

Figure IV-7

	Texas Societies	Foreign Societies
Net Considerations from Members	$ 27,801,140	$ 3,161,953,864
Gross Benefits Paid	9,157,475	950,116,297
Admitted Assets	288,486,635	25,660,596,764
Total Policy Reserves	215,211,222	20,544,655,671
Total Liabilities	225,415,144	23,191,144,898
Special Reserves and Unassigned Funds	63,071,491	2,469,451,866
Insurance in Force	1,688,359,896	163,765,396,642
	Texas Business Only	
Number of Lodges	1,014	1,511
Life Certificates Issued		
Number	10,766	29,877
Amount	$ 270,624,627	$ 1,568,540,373
Life Certificates in Force		
Number		
Amount	$ 1,664,234,996	$ 8,415,771,578
Total Considerations from Member		
Life	$ 25,241,769	$ 119,940,689
Accident & Health	4,323,032	12,623,289
Insurance Benefits Paid Members		
Life	$ 6,836,373	$ 29,222,781
Accident & Health	2,067,432	8,763,729

Statewide Mutual Assessment Companies, Local Mutual Aid Associations and Burial Associations: For Calendar Year 1990 (All Companies Combined)

Figure IV-8

Number of Members	101,833
Amount of Insurance in Force	$ 35,386,884
Total Premium Income	
Mortuary Fund	1,001,116
Expense Fund	961,393
Total Other Income	
Mortuary Fund	3,191,076
Expense Fund	100,136
Claims Paid	
Mortuary Fund	1,447,450
Expense Fund	-0-
Other Expenditures	
Mortuary Fund	64,200
Expense Fund	1,132,752
Mortuary Fund	
Admitted Assets	37,626,805
Aggregate Policy Reserves	15,251,140
Other Liabilities	226,405
Total Liabilities	15,719,498
Surplus (As Regards Policyholder)	21,907,307
Expense Fund	
Admitted Assets	2,347,402
Total Liabilities	70,971
Surplus (As Regards Policyholder)	2,276,431

Exempt Associations: For Calendar Year 1990 (All Associations Combined)

Figure IV-9

Number of Members	13,216
Total Receipts	$ 1,549,519
Admitted Assets	1,669,086
Total Liabilities	82,067
Net Surplus	1,587,019

NON-PROFIT GROUP HOSPITAL SERVICE: FOR CALENDAR YEAR 1990 (ALL ASSOCIATIONS COMBINED)

Figure IV-10

Net Premium Income, Accident & Health	$ 1,069,985,864
Admitted Assets	442,191,723
Total Liabilities	301,044,621
Unassigned Policyholders' Fund	141,147,102
Net Gain From Operations	64,665,324

	Premiums Written	Benefits Paid
Accident & Health Group	$1,027,501,582	$ 872,788,086

HEALTH MAINTENANCE ORGANIZATIONS: FOR CALENDAR YEAR 1990

Figure IV-11

Number of Enrollees	2,334,671
Direct Premiums	$ 1,999,234,020
Reinsurance Assumed	-0-
Reinsured Ceded	9,288,724
Net Premiums	2,124,828,379
Claims Paid	1,758,482,767
Claims Unpaid	244,420,127
Net Admitted Assets	618,969,191
Total Liabilities	564,475,775
Capital	2,948,447
Total Surplus and Unassigned Funds	51,544,969

NON-PROFIT LEGAL SERVICE CORPORATIONS: FOR CALENDAR YEAR 1990

Figure IV-12

	Non-Profit Legal Services Corporation
Number of Participants	6,661
Net Assessments in Force	-0-
Net Assessments	
Claims Fund	464,618
Expense Fund	199,114
Net Claims Paid	-0-
Admitted Assets	
Claims Fund	1,219
Expense Fund	40,039
Total Liabilities	
Claims Fund	879
Expense Fund	-0-
Total Policyholder Surplus	
Claims Fund	-0-
Expense Fund	40,379

STOCK FIRE, STOCK CASUALTY, AND STOCK FIRE AND CASUALTY INSURANCE COMPANIES: FOR CALENDAR YEAR 1990 (ALL COMPANIES COMBINED)

Figure IV-13

	Texas Companies	Foreign Companies
Direct Premium Income	$ 3,111,300,370	$ 131,941,328,841
Reinsurance Assumed	1,147,550,453	100,042,690,718
Reinsurance Ceded	2,536,077,131	106,609,781,003
Net Premium Income	1,722,773,689	125,374,238,546
Losses Paid	2,270,062,570	81,506,322,496
Stockholders' Dividend Paid	83,385,260	5,266,673,139
Admitted Assets	5,098,951,889	357,291,456,646
Total Liabilities	3,099,377,815	265,733,274,414
Capital Paid-Up	151,474,366	2,897,962,121
Surplus (Exclusive of Capital)	1,861,745,771	88,905,507,997
Treasury Stock	13,646,063	245,287,886
Total Unpaid Claims	1,666,960,483	136,371,220,514
Total Unearned Premiums	559,577,569	45,021,220,849
Net Income	8,885,267	7,191,531,782
	Texas Business Only	
Fire and Allied Lines		
Premiums	$ 258,651,481	$ 1,285,676,274
Losses	323,398,646	1,470,204,174
Ocean Marine		
Premiums	12,072,931	96,220,559
Losses	8,713,001	105,814,276
Automobile		
Premiums	781,156,195	2,096,241,748
Losses	629,970,364	1,512,212,655
Workers' Compensation		
Premiums	772,096,403	2,428,336,749
Losses	485,000,501	1,806,534,971
Accident and Health		
Premiums	2,255,783	86,888,543
Losses	2,809,331	103,352,788
Aircraft Physical Damage		
Premiums	7,533,868	41,785,530
Losses	7,162,650	39,659,443
Credit Guaranty		
Premiums	230,114	49,230,132
Losses	-0-	95,664,812
Other Casualty Lines		
Premiums	291,851,954	1,377,130,554
Losses	190,545,359	1,089,017,620
Totals		
Premiums	$ 2,125,848,729	$ 7,461,510,089
Losses	1,647,599,852	6,222,460,739

MUTUAL FIRE AND CASUALTY COMPANIES: FOR CALENDAR YEAR 1990 (ALL COMPANIES COMBINED)

Figure IV-14

	Texas Companies	Foreign Companies
Direct Premium Income	$ 230,250,016	$ 39,768,534,621
Reinsurance Assumed	101,485,478	17,334,222,446
Reinsurance Ceded	153,168,069	15,363,175,865
Net Premium Income	178,567,425	41,739,581,202
Losses Paid	206,808,171	26,331,740,014
Stockholders' Dividend Paid	-0-	453,976
Admitted Assets	414,339,812	96,114,315,789
Total Liabilities	295,980,968	63,825,352,212
Surplus (As Regards to Policyholders)	118,358,844	32,288,963,577
Total Unpaid Claims	128,003,378	39,138,312,573
Total Unearned Premiums	97,868,468	12,025,279,244
Net Income	3,021,190	978,668,474
	Texas Business Only	
Fire and Allied Lines		
Premiums	$ 37,544,757	$ 127,855,208
Losses	31,617,079	94,649,594
Ocean Marine		
Premiums	-0-	4,344,687
Losses	-0-	18,892,449
Automobile		
Premiums	166,703,544	1,544,604,006
Losses	142,495,847	1,081,402,151
Workers' Compensation		
Premiums	698,218	880,594,480
Losses	405,279	567,353,487
Accident and Health		
Premiums	456,765	109,316,233
Losses	272,200	79,856,216
Aircraft Physical Damage		
Premiums	-0-	2,751,376
Losses	-0-	2,195,213
Credit Guaranty		
Premiums	-0-	597,058
Losses	-0-	11,624
Other Casualty Lines		
Premiums	16,534,365	105,157,123
Losses	27,017,978	98,687,562
Totals		
Premiums	$ 221,937,649	$ 2,775,220,171
Losses	201,808,383	1,943,048,296

ALL LLOYDS COMBINED: FOR CALENDAR YEAR 1990

Figure IV-15

	Texas Companies	Foreign Companies
Direct Premium Income	$ 1,179,988,451	$ 18,438,733
Reinsurance Assumed	43,573,196	180,137
Reinsurance Ceded	1,146,129,015	12,724,602
Net Premium Income	77,432,632	5,894,268
Losses Paid	848,091,373	11,587,966
Dividend Paid Underwriters	1,787,360	-0-
Admitted Assets	325,042,244	16,219,057
Total Liabilities	183,117,043	7,209,508
Surplus (Including Guaranty Funds)	141,925,201	9,009,549
Total Unpaid Claims	50,241,984	1,812,508
Total Unearned Premiums	17,000,075	2,997,572
Net Income	16,004,096	590,213
	Texas Business Only	
Fire and Allied Lines		
Premiums	$ 849,226,297	$ 1,640,525
Losses	632,879,120	870,510
Ocean Marine		
Premiums	165	-0-
Losses	(642)	-0-
Automobile		
Premiums	84,133,058	-0-
Losses	78,691,092	-0-
Workers' Compensation		
Premiums	47,278,371	-0-
Losses	21,042,454	-0-
Accident and Health		
Premiums	366,500	-0-
Losses	166,910	-0-
Aircraft Physical Damage		
Premiums	-0-	-0-
Losses	-0-	-0-
Credit Guaranty		
Premiums	1,606,454	-0-
Losses	49,635	-0-
Other Casualty Lines		
Premiums	178,311,334	-0-
Losses	100,626,387	-0-
Totals		
Premiums	$ 1,160,922,189	$ 1,640,525
Losses	833,454,956	870,510

RECIPROCAL EXCHANGES: FOR CALENDAR YEAR 1990 (ALL EXCHANGES COMBINED)

Figure IV-16

	Texas Companies	Foreign Companies
Direct Premium Income	$ 2,506,974,591	$ 4,111,472,272
Reinsurance Assumed	62,406,292	7,506,953,724
Reinsurance Ceded	139,030,335	4,991,422,276
Net Premium Income	2,430,350,548	6,627,003,720
Losses Paid	1,515,591,485	2,803,599,231
Admitted Assets	5,811,163,379	11,804,249,623
Total Liabilities	3,043,768,069	9,317,837,958
Surplus (As Regards to Policyholders)	2,767,395,310	2,486,411,665
Total Unpaid Claims	1,594,827,283	4,926,757,328
Total Unearned Premiums	805,423,190	1,866,572,764
Net Income	69,919,052	3,581,105
	Texas Business Only	
Fire and Allied Lines		
Premiums	$ 160,600,215	$ 152,195,689
Losses	93,670,936	159,995,404
Ocean Marine		
Premiums	1,233,937	-0-
Losses	844,100	-0-
Automobile		
Premiums	192,488,904	36,175,093
Losses	120,536,557	26,740,474
Worker's Compensation		
Premiums	5,126,907	24,323,039
Losses	2,804,133	18,661,962
Accident and Health		
Premiums	1,551,722	-0-
Losses	302,300	-0-
Aircraft Physical Damage		
Premiums	-0-	239,450
Losses	-0-	200,178
Credit Guaranty		
Premiums	-0-	-0-
Losses	-0-	-0-
Other Casualty Lines		
Premiums	62,842,205	27,113,853
Losses	72,333,718	21,976,381
Totals		
Premiums	$ 423,843,890	$ 240,047,124
Losses	290,491,744	227,574,399

County Mutual Fire Insurance Companies: For Calendar Year 1990 (All Companies Combined)

Figure IV-17

Direct Premium Income	$ 1,195,545,728
Reinsurance Assumed	(15,923)
Reinsurance Ceded	1,109,454,482
Net Premium Income	86,075,322
Direct Losses Paid	731,361,867
Admitted Assets	176,216,832
Total Liabilities	124,075,886
Surplus	52,140,946
Total Unpaid Claims	22,481,664
Total Unearned Premiums	19,019,403
Net Income	(14,914,999)

Farm Mutual Insurance Companies: For Calendar Year 1990 (All Companies Combined)

Figure IV-18

Premium Income	$ 58,551,624
Other Income	25,880,692
Total Income	84,432,316
Losses Paid to Members	40,199,581
Other Disbursements	34,444,851
Total Disbursements	74,644,432
Admitted Assets	113,008,951
Total Liabilities	37,504,140
Surplus, (As Regards to Policyholder)	75,504,811

Risk Retention Groups For Calendar Year 1990 (All Groups Combined)

Figure IV-19

	Texas Companies
Direct Premium Income	$ 22,217,156
Reinsurance Assumed	3,736
Reinsurance Ceded	14,781,507
Net Premium Income	7,439,385
Losses Paid	8,071,224
Stockholders' Dividend Paid	-0-
Admitted Assets	30,789,607
Total Liabilities	19,853,095
Capital Paid-Up	1,200,000
Surplus (Exclusive of Capital)	9,736,512
Treasury Stock	-0-
Total Unpaid Claims	11,491,850
Total Unearned Premiums	3,336,170
Net Income	875,954
	Texas Business Only
Automobile	
Premiums	$ 948,843
Losses	347,427
Other Casualty Lines	
Premiums	3,477,134
Losses	5,174,963
Totals	
Premiums	$ 4,425,977
Losses	5,522,390

TITLE COMPANIES: FOR CALENDAR YEAR 1990 (ALL COMPANIES COMBINED)

Figure IV-20

	Texas Companies	Foreign Companies
Direct Premium Income	$ 376,959,422	$ 2,736,269,677
Losses Paid	17,567,784	230,629,106
Dividends Paid	515,000	30,531,976
Net Income	5,202,865	5,741,291
Admitted Assets	187,460,547	2,065,641,526
Liabilities	103,607,199	1,294,122,617
Capital Paid-Up	13,000,000	205,320,470
Surplus	70,853,348	566,198,439
	Texas Business	
Premiums	$ 150,068,726	$ 203,344,661
Losses Paid	3,469,336	17,615,343

Financial
Report
ISSUED BY
TEXAS DEPARTMENT
OF INSURANCE

TABLE OF CONTENTS

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	Exhibit III	Comparison of Funds Budgeted to Funds Applied and Encumbered

NOTES TO THE FINANCIAL STATEMENTS

COMBINING FINANCIAL STATEMENTS

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ADDENDUM — General Comments

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	Schedule 2	Summary of Revenues
	Schedule 2A	Summary of Premium Taxes and Surtaxes Collected
	Schedule 2B	Comparative Statement of Revenues
	Schedule 3	Detail of Additions and Deductions–All Agency Funds

EXHIBIT I - COMBINED BALANCE SHEET–ALL FUND TYPES AND ACCOUNT GROUPS

August 31, 1991 (With comparative memorandum totals for August 31, 1990) (Unaudited)

	GOVERNMENTAL FUNDS		FIDUCIARY FUNDS
	General Revenue	Special Revenue *(Exh A - 1)*	Trust and Agency *(Exh B - 1)*
ASSETS			
Cash and Temporary Investments:			
Cash on Hand	$	$ 385	$
Cash in Banks (Note 3)	10,312	1,640,181	26,458
Cash in State Treasury	1,099,536	28,022,611	8,749,388
Receivables:			
Insurance Examination Fees Receivable		718,526	
Less - Allowance for Doubtful Accts.		(365,357)	
Interest and Dividends Receivable		5,444	101
Accounts Receivable	433	1,990,163	
Due from Other Funds (Note 9)		10,000	
Consumable Inventories		270,484	
Fixed Assets: (Note 2)			
Furniture and Equipment			
Vehicles			
Loans and Contracts			1,201,325
Less - Allowance for Collection			(1,201,325)
Other Assets		10	
Amounts to be Provided in Future Years			
TOTAL ASSETS	$ 1,110,281	$ 32,292,447	$ 8,775,947
LIABILITIES			
Payables:			
Accounts Payable	$ 41,439	$ 7,565,325	$
Unallocated and Undistributed Receipts			8,402,052
Due to Other Funds (Note 9)		21,486	
Notes and Loans Payable		1,670,250	
Employees' Compensable Leave (Note 4)			
Capital Lease Obligations (Note 5)			
Funds Held in Custody For Others			347,336
TOTAL LIABILITIES	41,439	9,257,061	8,749,388
FUND EQUITY			
Investment in General Fixed Assets			
Fund Balances:			
Reserved for -			
Petty Cash Funds	500	385	
Consumable Inventories		270,484	
Travel Advance Fund	10,000	100,000	
Encumbrances *(Exh III)*	14,865	1,512,315	
Unreserved - Undesignated -			
Available for Subsequent Years	1,043,477	21,152,202	
Other			26,559
TOTAL FUND BALANCES *(Exh II)*	1,068,842	23,035,386	26,559
TOTAL FUND EQUITY	1,068,842	23,035,386	26,559
TOTAL LIABILITIES AND FUND EQUITY	$ 1,110,281	$ 32,292,447	$ 8,775,947

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

ACCOUNT GROUPS		TOTALS (Memorandum Only)	
General Fixed Assets	General Long-Term Debt	1991	1990
$	$	$ 385	$ 385
		1,676,951	2,825,185
		37,871,535	52,790,274
		718,526	649,691
		(365,357)	(346,742)
		5,545	11,604
		1,990,596	1,119,073
		10,000	25,502
		270,484	232,433
23,989,082		23,989,082	18,954,367
87,570		87,570	30,754
		1,201,325	1,201,325
		(1,201,325)	(1,201,325)
		10	10
	3,836,206	3,836,206	3,587,019
$ 24,076,652	$ 3,836,206	$ 70,091,533	$ 79,879,555
$	$	$ 7,606,764	$ 9,376,642
		8,402,052	27,196,704
		21,486	35,501
		1,670,250	1,225,000
	3,547,647	3,547,647	3,213,044
	288,559	288,559	373,975
		347,336	17,928
0	3,836,206	21,884,094	41,438,794
24,076,652		24,076,652	18,985,121
		885	885
		270,484	232,433
		110,000	110,000
		1,527,180	1,558,021
		22,195,679	17,528,947
		26,559	25,354
0	0	24,130,787	19,455,640
24,076,652	0	48,207,439	38,440,761
$ 24,076,652	$ 3,836,206	$ 70,091,533	$ 79,879,555

EXHIBIT II - COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES– ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For the Fiscal Year ended August 31, 1991 (With comparative memorandum totals for the Fiscal Year ended August 31, 1990) (Unaudited)

	GOVERNMENTAL FUNDS		FIDUCIARY FUNDS	TOTALS (Memorandum Only)	
	General Revenue	Special Revenue (Exh A - 2)	Expendable Trust (Exh B - 2)	1991	1990
REVENUES					
Taxes	$ 932,334	$ 53,617,259	$	$ 54,549,593	$ 50,211,876
Licenses, Fees, and Permits		18,755,693		18,755,693	19,651,835
Interest and Investment Income		95,278	1,205	96,483	52,334
Sales of Goods and Services	406	321,731		322,137	389,393
Other Revenues	432	13,299,336		13,299,768	9,653,034
TOTAL REVENUES	933,172	86,089,297	1,205	87,023,674	79,958,472
EXPENDITURES					
Salaries and Wages	508,218	45,100,218		45,608,436	42,810,308
Payroll Related Costs	124,495	12,106,109		12,230,604	11,029,676
Professional Fees and Services (Sch. 1)	87,176	2,047,278		2,134,454	307,995
Travel	9,167	2,330,430		2,339,597	2,288,049
Materials and Supplies	20,149	1,840,330		1,860,479	1,504,180
Communication and Utilities	23,012	1,034,426		1,057,438	1,079,973
Repairs and Maintenance	20,259	839,857		860,116	634,225
Rentals and Leases	39,831	1,625,608		1,665,439	2,750,902
Printing and Reproduction	7,516	96,300		103,816	179,600
Claims and Judgements		1,260,724		1,260,724	258,899
Other Operating Expenditures	39,611	3,027,909		3,067,520	3,581,115
Debt Service:					
Principal		85,416		85,416	25,743
Interest		34,028		34,028	11,052
Public Assistance Payments		601,713		601,713	0
Capital Outlay -	4,246	5,538,919		5,543,165	3,777,647
TOTAL EXPENDITURES	883,680	77,569,265	0	78,452,945	70,239,364
EXCESS OF REVENUES OVER EXPENDITURES	$ 49,492	$ 8,520,032	$ 1,205	$ 8,570,729	$ 9,719,108

EXHIBIT II (Concluded)

	GOVERNMENTAL FUNDS		FIDUCIARY FUNDS	TOTALS (Memorandum Only)	
	General Revenue	Special Revenue *(Exh A - 2)*	Expendable Trust *(Exh B - 2)*	1991	1990
OTHER FINANCING SOURCES (USES)					
Operating Transfers In:					
(Agency 454, Fund 999)	$	$	$	$ 0	$ 14,235
Operating Transfers Out:					
(Agency 454, Fund 999)				0	(14,235)
(Agency 304, Fund 001)		(1,221,433)		(1,221,433)	(1,180,447)
(Agency 303, Fund 001)		(1,110,953)		(1,110,953)	(1,076,604)
(Agency 302, Fund 036)		(167,194)		(167,194)	(205,597)
(Agency 241, Fund 036)		(557,040)		(557,040)	(648,394)
(Agency 332, Fund 659)		(1,478)		(1,478)	(1,881)
(Agency 353, Fund 001)		(343)		(343)	0
(Agency 902, Fund 001)	(14,783)	(860,409)		(875,192)	0
Increase in Travel Advance Fund				0	5,000
Net Change in Consumable Inventories		38,051		38,051	20,160
Increase in Obligation - Capital Lease				0	399,718
Theft of Petty Cash				0	(97)
TOTAL OTHER FINANCING SOURCES (USES)	(14,783)	(3,880,799)	0	(3,895,582)	(2,688,142)
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	34,709	4,639,233	1,205	4,675,147	7,030,966
FUND BALANCES - BEGINNING OF YEAR	1,034,133	18,396,153	25,354	19,455,640	12,424,674
FUND BALANCES - END OF YEAR *(Exh. I)*	$ 1,068,842	$ 23,035,386	$ 26,559	$ 24,130,787	$ 19,455,640

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

EXHIBIT III COMPARISON OF FUNDS BUDGETED TO FUNDS APPLIED AND ENCUMBERED

For the Fiscal Year ended August 31, 1991 (Unaudited)

	FUNDS BUDGETED			
	Legislative Appropriations and Balances	Additional Appropriations and Adjustments	Appropriated Revenues	Transfers Between Appropriations
LEGISLATIVE APPROPRIATIONS				
Current Year: Insurance Operating Fund 036:				
Board Offices	$ 1,478,551	$	$ 166,061	$ 493,080
Commissioner's Office	1,316,367		6	375,787
Administrative Services	6,966,382		328,756	2,819,909
Regulated Lines & Licensing	16,588,704	(485,019)	188,611	1,315,058
Financial	9,691,981		279,767	1,824,526
Compliance	5,079,668		70,226	481,061
State Fire Marshal's Office	2,847,572		444	78,273
Reprinting of Texas General Basis Schedule		(136,000)		136,000
H.B. 708, 71st Leg., R.S.		(14,925)		1,002,303
Reappropriation of Unexpended Balances		4,500,000		207,083
S.B. 255, 71st Leg., R.S.		3,465,569		(3,408,932)
H.B. 116, 71st Leg., 1st C.S.		76,580		(76,580)
S.B. 832, 71st Leg., R.S.		64,750		(64,750)
H.B. 1594, 71st Leg., R.S.		71,299		(71,299)
H.B. 18, 71st Leg., R.S.		54,873		(54,873)
S.B. 1, 71st Leg., C.S. & S.B. 11, 71st Leg., 6th C.S.		1,458,086		(1,458,086)
S.B. 1, 71st Leg., C.S. & S.B. 11, 71st Leg., 6th C.S.				300,000
S.B. 222. Office of the Governor				
Deficiency and Emergency Grants		175,000		
S.B. 222, Art. I-74 & V-97,Sec 119		12,412		
Construction Project No.				155,922
Retirement Contributions and Related Costs		2,810,164		
Employee Insurance Premiums		3,014,612		
Social Security				
Regular		2,921,879		
Paid by State on Behalf of Employees		1,318,549		
Unemployment Compensation		52,414		
Workers' Compensation		43,608		
Audit Charges				
Transfer to GR for Building Maintenance		1,110,953		
Transfer to GR for Services		1,221,433		
Transfer to Child Care Fund		1,478		
Transfer to Comptroller's Judiciary Section		557,040		
Transfer to Attorney General		144,388		
Salary Increase Receiving Account		1,747,648		(1,747,648)
Claim Settlement		2,700		
Sub-Total Insurance Operating Fund 036	43,969,225	24,189,491	1,033,871	2,306,834
Consumer Protection Fund 001:				
Division of Consumer Protection	985,508	(14,783)	838	24,679
Retirement Contributions and Related Costs		36,731		
Employee Insurance Premiums		30,804		
Social Security				
Regular		38,891		
Paid by State on Behalf of Employees		17,787		
Salary Increase Receiving Account		24,679		(24,679)
Sub-Total Consumer Protection Fund 001	985,508	134,109	838	0
Total Current Year Appropriations	44,954,733	24,323,600	1,034,709	2,306,834
Prior Year:				
Insurance Operating Fund 036	5,228,484	39,328	203	(2,306,834)
Consumer Protection Fund 001	151,697	996		
Total Prior Year Appropriations	5,380,181	40,324	203	(2,306,834)
Total Appropriations	$ 50,334,914	$ 24,363,924	$ 1,034,912	$ 0

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

FUNDS APPLIED AND ENCUMBERED

Totals	Expenditures and Other Financing Uses	Appropriations Lapsed	Encumbrances	Totals	Variances
$ 2,137,692	$ 2,072,192	$	$ 43,401	$ 2,115,593	$ 22,099
1,692,160	1,599,628		90,428	1,690,056	2,104
10,115,047	9,826,985		155,978	9,982,963	132,084
17,607,354	16,276,948		41,820	16,318,768	1,288,586
11,796,274	10,613,896		253,909	10,867,805	928,469
5,630,955	5,454,574		40,171	5,494,745	136,210
2,926,289	2,859,464		3,141	2,862,605	63,684
0			0	0	0
987,378	724,245		247,227	971,472	15,906
4,707,083	4,057,147		170,859	4,228,006	479,077
56,637				0	56,637
0				0	0
0				0	0
0				0	0
0				0	0
0				0	0
300,000	136,000			136,000	164,000
175,000	12,240			12,240	162,760
12,412	4,847		179	5,026	7,386
155,922	138,949		16,973	155,922	0
2,810,164	2,810,164			2,810,164	0
3,014,612	3,014,612			3,014,612	0
0				0	0
2,921,879	2,921,879			2,921,879	0
1,318,549	1,318,549			1,318,549	0
52,414	52,414			52,414	0
43,608	43,608			43,608	0
0				0	0
1,110,953	1,110,953			1,110,953	0
1,221,433	1,221,433			1,221,433	0
1,478	1,478			1,478	0
557,040	557,040			557,040	0
144,388	144,388			144,388	0
0				0	0
2,700	2,700			2,700	0
71,499,421	66,976,333	0	1,064,086	68,040,419	3,459,002
996,242	747,424		14,865	762,289	233,953
36,731	36,731			36,731	0
30,804	30,804			30,804	0
0				0	0
38,891	38,891			38,891	0
17,787	17,787			17,787	0
0				0	0
1,120,455	871,637	0	14,865	886,502	233,953
72,619,876	67,847,970	0	1,078,951	68,926,921	3,692,955
2,961,181	1,167,554	1,345,382	448,229	2,961,165	16
152,693	12,043	140,650		152,693	0
3,113,874	1,179,597	1,486,032	448,229	3,113,858	16
$ 75,733,750	$ 69,027,567	$ 1,486,032	$ 1,527,180 *(Exh. I)*	$ 72,040,779	$ 3,692,971 *(Note A)*

EXHIBIT III (Concluded)
COMPARISON OF FUNDS BUDGETED TO FUNDS APPLIED AND ENCUMBERED
For the Fiscal Year ended August 31, 1991 (Unaudited)

NOTE A: RECONCILIATION OF VARIANCE:

Variance (Exh. III):	$ 3,692,971
Add:	
Investment in General Fixed Assets	24,076,652
Unappropriated Fund Equity, Local Funds	307,476
Encumbrances Included in Fund Balance	1,527,180
Imprest Accounts	110,885
Reserve for Inventories	270,484
Unappropriated Fund Balance Available for Subsequent Years	18,221,791
Total Fund Equity per Exhibit I, All Funds	$ 48,207,439

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Texas Department of Insurance is provided for in Articles 1.02 - 1.09, Texas Insurance Code (Vernon 1981 and Supp. 1986). The history of the agency dates back to the Texas Constitution of 1876. Since then, the composition of the agency has changed several times. House Bill No. 2, 72nd Legislature, Reg. Sess. (1991) amended the Insurance Code as follows: "(a) In this code and other insurance laws: (1) 'Board' means the three-member State Board of Insurance. (2) 'Department' means the Texas Department of Insurance. (3) 'Commissioner' means the Commissioner of Insurance appointed under Article 1.09 of this code. (b) The Texas Department of Insurance is created to regulate the business of insurance in this state."Our entity is a component of the statewide report which will be audited.

B. BASIS OF PRESENTATION

The accompanying financial statements of the Texas Department of Insurance have been prepared to conform with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

C. FUND STRUCTURE

The accounts of the agency are presented on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a complete set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. The funds and account groups used to reflect the agency's transactions are as follows:

GOVERNMENTAL FUND TYPES

General Fund
The general fund is used to account for all financial resources of the state except those required to be accounted for in another fund. The activities of the Division of Consumer Protection are reported in the General Fund.

Special Revenue Funds
The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

FIDUCIARY FUND TYPES

Agency Funds
Agency funds are used to account for assets held as an agent for individuals, other government entities, and/or other funds. These funds are custodial in nature and do not involve measurement of results of operations.

Expendable Trust Funds
Expendable trust funds are used to account for trust funds, the principal and interest of which may be expended in the course of the designated operations.

ACCOUNT GROUPS

General Fixed Assets Account Group
Fixed assets used by the Agency are accounted for in the General Fixed Assets Account Group. This is a self-balancing management control and accountability listing that does not reflect available financial resources.

General Long-Term Debt Account Group
This account group is used to account for long-term debt to be financed in future periods from governmental funds. This is a self-balancing accounting record which does not reflect available financial resources.

D. MEMORANDUM TOTALS

The total columns on the financial statements are captioned "Memorandum Only" to indicate that they are for informational purposes only. Data in these columns does not present the financial position, results of operations, or changes in financial position in conformity with GAAP, nor is such data comparable to a consolidation.

E. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. All governmental fund types, expendable trust funds, and agency funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Expenditures are generally recognized when the related fund liability is incurred. Exceptions are unpaid employee compensable leave and the unmatured debt service on long- term capital leases, which are not recognized until actual payment is made. The principal of this long-term liability is reported in the General Long-Term Debt Account Group.

F. BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the Legislature and approved by the Governor (the General Appropriations Act). Encumbrance accounting is employed for budgetary control purposes. Unencumbered appropriations are now generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

G. ASSETS, LIABILITIES AND FUND EQUITY

ASSETS

Inventories
Consumable inventories include supplies and postage on hand at year end. Inventories for governmental funds are accounted for using the purchase method of accounting. The cost of these items is recognized as an expenditure at the time of purchase. These assets are offset by a fund balance reserve which indicates that they do not constitute "available spendable resources".

Fixed Assets
Purchases of fixed assets by governmental or similar trust funds are reported as expenditures. They are capitalized at cost or, if not purchased, at appraised value on the date of acquisition. There is no provision for depreciation or obsolescence of these fixed assets since replacements are financed from current resources.

LIABILITIES

Accounts Payable
Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees' Compensable Leave
Employees' compensable leave represents the liability that the Agency will be required to liquidate in the future for employee vacation time.

Capital Lease Obligations
Capital lease obligations represent the liability for future lease payments under capital lease contracts.

RESERVATIONS/DESIGNATIONS OF FUND EQUITY

Reserved for Encumbrances
The reservation for encumbrances represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods.

Reserved for Consumable Inventories
This represents the amount of supplies and postage held to be used in the next fiscal year.

Reserved for Imprest Accounts
This represents two travel advance funds and a petty cash fund on deposit in a local bank and a change fund at the Agency. The travel advance fund is for the purpose of advancing travel monies to those employees who are required to travel on official state business. Monies advanced from this fund are reimbursed when the respective employees' travel vouchers are processed. The petty cash fund is reimbursed as needed but at least quarterly.

Unreserved/Undesignated:
Available for Subsequent Years represents the unappropriated balances of the general fund and special revenue funds at year end. Other represents the unappropriated balance of expendable trust funds.

INTERFUND TRANSACTIONS AND BALANCES

Quasi-external Transactions
These transactions would be treated as revenues or expenditures if they involved organizations external to state government. They are accounted for as revenues by the recipient fund and as expenditures by the disbursing fund. The accrual of these transactions is classified as accounts receivable or accounts payable on the balance sheet.

Reimbursements
These transactions represent expenditures or expenses applicable to a particular fund but paid from another fund. The transactions are reported as expenditures or expenses in the reimbursing fund and a reduction of corresponding amounts in the reimbursed fund. The accrual of these transactions is reported as accounts receivable or accounts payable on the balance sheet.

Operating Transfers
These routine transfers of resources are reported in the Other Financing Sources (Uses) section for governmental and expendable trust fund types. The accrual of these transactions is classified as Due From/Due To Other Funds on the balance sheet.

NOTE 2: PROPERTY, PLANT & EQUIPMENT

A summary of changes in General Fixed Assets for the Fiscal Year ended August 31, 1991:

General Fixed Assets

Asset Type	Balance 9/1/90	Additions	Deletions	Balance 8/31/91
Furniture & Equipment	$ 18,954,367	$ 5,737,874	$ 703,159	$ 23,989,082
Vehicles	30,754	56,816	0	87,570
TOTALS	$ 18,985,121	$ 5,794,690	$ 703,159	$ 24,076,652

(Exh. I)
Figure V– 1

NOTE 3: DEPOSITS

Deposits are carried at cost in the financial statements. The carrying amount of deposits is shown in Exhibit I as Cash in Bank. The Agency invests funds in a local bank account for travel advance and petty cash purposes. The Liquidation Division invests funds in a local bank for the Trustee Account, Abandoned Property Account, Liquidator's Administrative Account, Payroll Account, General Expense Account, and Claims Clearing Account.

Deposits

Carrying Amount	Bank Balance	Category 1	Category 2	Category 3
$ 1,676,951	$ 2,342,113	$ 228,252	$ 2,113,861	$ 0
(Exh. I)				*Figure V– 2*

Category 1 represents balances either fully covered by federal depository insurance or secured by collateral held by the Agency's agent in the Agency's name.

Category 2 represents amounts collateralized with securities held by the pledging financial institution's trust department or agent in the agency's name.

NOTE 4: EMPLOYEES COMPENSABLE LEAVE

The Agency is liable for all unused vacation time accrued by its employees in the event of their resignation, dismissal or separation from state employment provided they have had continuous employment with the State for six months. In addition, the State must grant employees time off or pay employees at a rate of one and one-half times the regular rate of pay for any overtime worked. However, executive, administrative, or professional employees are expressly limited to equivalent compensatory time off. The liability of governmental fund types is recorded in the General Long-Term Debt Account Group.

The following is a summary of changes in employees' annual and compensatory leave balances:

Compensatory Leave Balance

	Annual Leave	FLSA & State Comp. Time	Totals
Comp. Leave Hours (9-1-90)	185,068	66,642	251,710
Additions - Increases	183,654	117,462	301,116
Deductions - Decreases	(170,145)	(109,575)	(279,720)
Comp. Leave Hours (8-31-91)	198,577	74,529	273,106

Figure V- 3

The Agency's monetary liability for compensable future absences as of August 31, 1991, as computed by multiplying the above ending balances by the year-end average hourly salary rate for all employees, is as follows:

Annual Leave Balance

	General Long-Term Debt Accounting Group
Annual Leave	$ 2,579,515
FLSA & State Comp. Time	968,132
	$ 3,547,647

(Exh. I)
Figure V- 4

NOTE 5: CAPITAL LEASES

The Agency has entered into long-term leases for financing the purchase of certain fixed assets. Such leases are classified as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments at the inception of the leases. The following is a summary of original capitalized cost of all such property under lease at August 31, 1991:

Capital Leases

	General Fixed Assets Account
Furniture and Equipment	$ 399,718

Figure V- 5

Future minimum lease payments under these capital leases, together with the present value of the net minimum lease payments at August 31, 1991, are as follows:

	General Long-Term Debt Account
1992	$ 97,158
1993	97,158
1994	97,158
1995	38,615
1996	0
Total Minimum Lease Payments	330,089
Less: Interest	(41,530)
Present Value of Net Minimum Lease Payments	$ 288,559

(Exh. I)
Figure V- 6

NOTE 6: OPERATING LEASE OBLIGATIONS

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating leases:

Operating Lease Obligations	
General Fund	$ 38,436
Special Revenue Funds	949,208
	$ 987,644

Figure V- 7

Future minimum lease rental payments under noncancelable operating leases having an initial term in excess of one year are as follows:

Future Rental Payments Year Ended August 31,	
1992	$ 494,025
1993	382,897
1994	374,130
1995	248,640
1996	63,660
1997 and beyond	16,163
Total Minimum Future Lease Rental Payments	$ 1,579,515

Figure V- 8

NOTE 7: EMPLOYEES RETIREMENT PLANS

The State has joint contributory retirement plans for substantially all its employees. The Agency participates in the plans administered by the Employees Retirement System of Texas. Future pension costs are the liabilities of the Retirement System. The System does not account for each state agency separately. Annual financial reports prepared by the System include audited financial statements and actuarial assumptions and conclusions. The actuarial valuation of the Employees Retirement System as of August 31, 1990, reflects an overfunded actuarial accrued liability. When the system is overfunded, there is no amortization period for unfunded actuarial accrued liabilities. The contribution rates of employees (6%) and the State (7.4%) are set by the State Legislature.

Total payments by the State, related to this Agency for the year ended August 31, 1991, were $3,057,608.

NOTE 8: DEFERRED COMPENSATION

At August 31, 1991, ninety-one employees of the Agency were participating in the State's Deferred Compensation Program. This program allows employees to defer a portion of their monthly salary for income tax and investment purposes. During the 1991 fiscal year $311,267 was withheld from employees' salaries to be invested in approved plans as designated by the employee. The State has no additional or unfunded liability for this program.

NOTE 9: INTERFUND RECEIVABLES AND PAYABLES

As explained in Note 1 on Interfund Transactions and Balances there are numerous transactions between funds and agencies. At year-end, amounts to be received or paid are reported as Due From or Due To Other Funds. Individual interfund receivable and payable balances at August 31, 1991, were as follows:

Interfund Receivables and Payables

	Due from Other Funds	Due to Other Funds
Special Revenue		
(Agency 302, Fund 036)	$	$ 8,069
(Agency 301, Fund 036)		3,417
(Agency 454, Fund 999)	10,000	10,000
Totals	$ 10,000	$ 21,486
(Exh. I)		*Figure V- 9*

NOTE 10: SECURITIES ON DEPOSIT

Article 3.16 of the Insurance Code requires certain life insurance companies incorporated under the laws of the State to deposit with the Board either securities or cash "equal to the legal reserve" on the company's outstanding registered policies and annuity bonds. The balance of these deposits at August 31, 1991, was $261,740,233. Currently all deposits are under the supervision of the Agency's Director of Accounting who maintains the securities either in physical form in bank deposit boxes or maintains custodial agreements with such securities in book entry form on deposit with a clearing corporation or safekeeping receipts as evidence of deposits with member banks of the Federal Reserve System. All additions or withdrawals in the deposits must be made at the insurance company's written request and are monitored for legality. Securities eligible for deposit include various types of bonds, certificates of deposit, certain types of stock, titles or deeds of property, and first-lien notes on real estate or personal property. These amounts do not appear on the financial statements presented herein.

The Insurance Code also requires insurance companies in various lines of insurance to have cash or eligible securities on deposit with an approved custodian as security for policyholders either under a Joint Control Agreement with the Agency or maintained at the State Treasury. Life, fire and casualty, and mutual assessment companies are required to deposit eligible securities in the State Treasury after receiving approval from the Commissioner of Insurance. Any changes in monies and/or securities deposited must also be approved by the Agency. Article 7.15 of the Texas Insurance Code required Surety and Trust Companies to have an approved deposit with the Agency. Although repealed in 1957 by the Fifty-fifth Legislature for new policies, deposits still must be maintained in those instances where a company has a possibility of outstanding claims or obligations. Lloyd's companies are required to deposit securities with an approved financial institution subject to joint control of attorney. Joint control of attorney requires that a joint control agreement be made between the company, the financial institution, and the Texas Department of Insurance in which no change in deposits may be made without approval from all three parties. Eligible investments for deposits include various types of bonds, first-lien notes on real estate or personal property, certificates of deposit, and certain types of stocks. The joint control deposits and the deposits maintained in the State Treasury are supervised by a Texas Department of Insurance employee. The cash deposited in the State Treasury has not been included in the Department's financial statements in the past; this year the cash is reported in Exhibit B-1, Combining Balance Sheet - Fiduciary Fund Types. Following is the market value of the deposits other than cash at August 31, 1991:

Securities on Deposit	
Under Joint Control Agreement	$ 44,112,119
On Deposit in State Treasury	298,051,164
Total	$ 342,163,283
	Figure V- 10

NOTE 11: RELATED PARTIES

Three non-profit guaranty associations - the Texas Property and Casualty, the Texas Life, Accident, Health and Hospital, and the Texas Title Guaranty Association - loan money to the various insurance companies in liquidation to pay for claims and administrative costs of the receiverships. If any money is left when a receivership is closed out, then the respective guaranty association is repaid. At August 31, 1991, the loans outstanding totaled $1,201,325. The associations' funds are administered by the Texas Department of Insurance under approval of the Secretary-Treasurer of the respective association.

The salaries and expenses of five employees of the Texas Department of Insurance who investigate title companies are reimbursed monthly by the Texas Title Guaranty Association.

NOTE 12: CONTINGENT LIABILITY

Sick leave, the accumulation of which is unlimited, is earned at the rate of eight hours per month and is paid to the employee only in case of illness or to the employee's estate in the event of his/her death while employed by the Agency. The maximum sick leave that may be paid an employee's estate is one-half of the employee's accumulated entitlement or 336 hours, whichever is less. The Agency's policy is to recognize the cost of any sick leave when paid. No liability is recorded in the General Long-Term Debt Account Group since experience indicates the probability of a material effect on any given year's operations, as a result of death or abnormally high rate of illness, is minimal.

At August 31, 1991, there were 675 companies which had paid maintenance taxes, premium taxes, surtaxes, and various other fees under protest and/or filed suits with the Texas Department of Insurance. Total protested deposits amounted to $59,716,912 of which $58,246,124 were on deposit in the State's Unappropriated General Revenue Fund, $736,528 in the Insurance Operating Fund and $ 734,260 in the Suspense Fund. The outcome of this litigation is indeterminate. Any refunds that may be ordered by the courts will be refunded from the fund of the original deposit.

NOTE 13: SUBSEQUENT EVENTS

Three divisions of the Agency incorporated in the financial statements are no longer a part of the Agency. The Office of Consumer Protection became a separate agency, the Office of Public Insurance Counsel, as of September 1, 1991 pursuant to H. B. 2, 72nd Leg., Reg. Sess. (1991). The State Fire Marshal's Office and the Fire Department Emergency Board merged with another agency to become the Texas Commission on Fire Protection pursuant to S. B. 383, 72nd Leg., Reg. Sess. (1991).

NOTE 14: CONTINUANCE SUBJECT TO REVIEW

On August 29, 1977, the Department became subject to the provisions of S.B. 54, 65th Leg., Reg. Sess. (1977) titled the "Texas Sunset Act". The Agency will be abolished effective September 1, 1993, per H. B. 62, 72nd Leg., 2nd C.S. (1991) unless specifically continued by legislative action. If abolished, the Agency may continue until September 1, 1994, to close out its operations.

EXHIBIT A-1 COMBINING BALANCE SHEET–ALL SPECIAL REVENUE FUNDS

August 31, 1991 (With comparative totals for August 31, 1990) (Unaudited)

	Insurance Board Operating Fund (Fund 036)	Liquidator's Administrative Account (Fund 999)
ASSETS		
Cash and Temporary Investments:		
Cash on Hand	$ 385	$
Cash in Banks	89,023	418,541
Cash in State Treasury	28,022,611	
Receivables:		
Insurance Examination		
Fees Receivable	718,526	
Less Allowance for Doubtful Accounts	(365,357)	
Interest and Dividends Receivable		1,816
Accounts Receivable	197,812	47,910
Due from Other Funds		
Consumable Inventories	270,484	
Other Assets		10
TOTAL ASSETS	$ 28,933,484	$ 468,277
LIABILITIES		
Payables:		
Accounts Payable	$ 6,167,529	$ 307,290
Due to Other Funds	11,486	10,000
Notes and Loans Payable	—	80,000
TOTAL LIABILITIES	6,179,015	397,290
FUND EQUITY		
Fund Balances:		
Reserved for -		
Petty Cash Funds	385	
Consumable Inventories	270,484	
Travel Advance Fund	100,000	
Encumbrances	1,512,315	
Unreserved - Undesignated -		
Available for Subsequent Years	20,871,285	70,987
TOTAL FUND EQUITY *(Exh. A-2)*	22,754,469	70,987
TOTAL LIABILITIES AND FUND EQUITY	$ 28,933,484	$ 468,277

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

Payroll Account (Fund 999)	General Expense Account (Fund 999)	Claims Clearing Account (Fund 999)	Totals 1991 (Exh I)	Totals 1990
$	$	$	$ 385	$ 385
1,084,356	10,497	37,764	1,640,181	2,789,426
			28,022,611	24,454,552
			718,526	649,691
			(365,357)	(346,742)
1,620	756	1,252	5,444	11,509
1,042,560	701,881		1,990,163	1,118,940
	10,000		10,000	25,502
			270,484	232,433
			10	10
$ 2,128,536	$ 723,134	$ 39,016	$ 32,292,447	$ 28,935,706
$ 827,644	$ 250,487	$ 12,375	$ 7,565,325	$ 9,279,052
			21,486	35,501
1,275,000	315,250		1,670,250	1,225,000
2,102,644	565,737	12,375	9,257,061	10,539,553
			385	385
			270,484	232,433
			100,000	100,000
			1,512,315	1,545,991
25,892	157,397	26,641	21,152,202	16,517,344
25,892	157,397	26,641	23,035,386	18,396,153
$ 2,128,536	$ 723,134	$ 39,016	$ 32,292,447	$ 28,935,706

EXHIBIT A-2 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES– ALL SPECIAL REVENUE FUNDS

For the Fiscal Year ended August 31, 1991 (With comparative totals for August 31, 1990) (Unaudited)

	Insurance Board Operating Fund	Liquidator's Administrative Account
	(Fund 036)	(Fund 999)
REVENUES		
Taxes	$ 53,617,259	$
Licenses, Fees, and Permits	18,755,693	
Interest and Investment Income		31,600
Sales of Goods and Services	321,731	
Other Revenues	753,847	1,291,387
TOTAL REVENUES	73,448,530	1,322,987
EXPENDITURES		
Salaries and Wages	37,999,064	
Payroll Related Costs	10,172,903	
Professional Fees and Services	1,880,587	4,080
Travel	2,295,160	
Materials and Supplies	1,474,366	
Communication and Utilities	905,169	
Repairs and Maintenance	797,106	
Rentals and Leases	1,208,766	1,972
Printing and Reproduction	50,561	
Claims and Judgements		1,260,724
Other Operating Expenditures	2,549,077	35,597
Debt Service:		
Principal		
Interest		
Public assistance Payments	601,713	
Capital Outlay	5,150,973	
TOTAL EXPENDITURES	65,085,445	1,302,373
EXCESS OF REVENUES OVER EXPENDITURES	8,363,085	20,614
OTHER FINANCING SOURCES (USES)		
Operating Transfers In		
(Agency 454, Fund 999)		
Operating Transfers Out		
(Agency 454, Fund 999)		
(Agency 304, Fund 001)	(1,221,433)	
(Agency 303, Fund 001)	(1,110,953)	
(Agency 302, Fund 036)	(167,194)	
(Agency 241, Fund 036)	(557,040)	
(Agency 332, Fund 659)	(1,478)	
(Agency 353, Fund 001)	(343)	
(Agency 902, Fund 001)	(860,409)	
Net Change in Consumable Inventories	38,051	
Increase in Obligation - Capital Leases		
Theft of Petty Cash		
TOTAL OTHER FINANCING SOURCES (USES)	(3,880,799)	0
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	4,482,286	20,614
FUND BALANCES - SEPTEMBER 1, 1990	18,272,183	50,373
FUND BALANCES - AUGUST 31, 1991 *(Exh. A-1)*	$ 22,754,469	$ 70,987

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

Payroll Account (Fund 999)	General Expense Account (Fund 999)	Claims Clearing Account (Fund 999)	Totals 1991 (Exh II)	Totals 1990
$	$	$	$ 53,617,259	$ 49,045,663
21,124	24,188	18,366	18,755,693 95,278	19,651,835 46,341
8,858,180	2,395,922		321,731 13,299,336	389,143 9,529,182
8,879,304	2,420,110	18,366	86,089,297	78,662,164
6,931,019	170,135		45,100,218	42,296,737
1,927,417	5,789		12,106,109	10,908,237
	162,611		2,047,278	189,814
	35,270		2,330,430	2,258,312
	365,964		1,840,330	1,480,840
	129,257		1,034,426	1,061,781
	42,751		839,857	617,551
	414,870		1,625,608	2,711,990
	45,739		96,300	174,290
			1,260,724	258,899
	443,235		3,027,909	3,391,492
	85,416		85,416	25,743
	34,028		34,028	11,052
			601,713	
	387,946		5,538,919	3,725,586
8,858,436	2,323,011	0	77,569,265	69,112,324
20,868	97,099	18,366	8,520,032	9,549,840
			0	14,235
			0	(14,109)
			(1,221,433)	(1,180,447)
			(1,110,953)	(1,076,604)
			(167,194)	(205,597)
			(557,040)	(648,394)
			(1,478)	(1,881)
			(343)	0
			(860,409)	0
			38,051	20,160
			0	399,718
			0	(97)
0	0	0	(3,880,799)	(2,693,016)
20,868	97,099	18,366	4,639,233	6,856,824
5,024	60,298	8,275	18,396,153	11,539,329
$ 25,892	$ 157,397	$ 26,641	$ 23,035,386	$ 18,396,153

EXHIBIT B-1 COMBINING BALANCE SHEET–FIDUCIARY FUND TYPES

August 31, 1991 (With comparative totals for August 31, 1990) (Unaudited)

	EXPENDABLE TRUST FUNDS		AGENCY FUNDS
	Trustee Account (Fund 999)	Abandoned Property Fund (Fund 999)	Departmental Suspense Account (Fund 900)
ASSETS			
Cash and Temporary Investments:			
Cash in Banks	$ 25,924	$ 534	$
Cash in State Treasury			8,402,052
Receivables:			
Interest and Dividends Receivable	99	2	
Loans and Contracts		1,201,325	
Allowance for Collection		(1,201,325)	
TOTAL ASSETS	$ 26,023	$ 536	$ 8,402,052
LIABILITIES			
Unallocated and Undistributed Receipts	$	$	$ 8,402,052
Funds Held in Custody for Others			
TOTAL LIABILITIES	0	0	8,402,052
FUND EQUITY			
Unreserved - Undesignated - Other	26,023	536	
TOTAL FUND EQUITY *(Exh B-2)*	26,023	536	0
TOTAL LIABILITIES AND FUND EQUITY	$ 26,023	$ 536	$ 8,402,052

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

AGENCY FUNDS			TOTALS	
Employee's Savings Bond Account (Fund 901)	Unclaimed Dividend Trust Account (Fund 923)	Statutory Deposits Account (Fund 921)	1991 (Exh II)	1990
$ 0	$ 223,936	$ 123,400	$ 26,458 8,749,388	$ 25,259 27,214,632
			101 1,201,325 (1,201,325)	95 1,201,325 (1,201,325)
$ 0	$ 223,936	$ 123,400	$ 8,775,947	$ 27,239,986
$ 0	$ 223,936	$ 123,400	$ 8,402,052 347,336	$ 27,196,704 17,928
0	223,936	123,400	8,749,388	27,214,632
			26,559	25,354
0	0	0	26,559	25,354
$ 0	$ 223,936	$ 123,400	$ 8,775,947	$ 27,239,986

Exhibit B-2 Combining Statement Of Revenues, Expenditures And Changes In Fund Balances–Expendable Trust Funds

For the Fiscal Year ended August 31, 1991 (With comparative totals for the Fiscal Year ended August 31, 1990) (Unaudited)

	Trustee Account Fund	Abandoned Property Fund	Totals	
	(Fund 999)	(Fund 999)	1991 *(Exh. II)*	1990
REVENUES				
Interest and Investment Income	$ 1,181	$ 24	$ 1,205	$ 5,993
Other Revenues			0	123,328
TOTAL REVENUES	1,181	24	1,205	129,321
EXPENDITURES				
Other Operating Expenditures			0	128,974
TOTAL EXPENDITURES	0	0	0	128,974
EXCESS OF REVENUES OVER EXPENDITURES	1,181	24	1,205	347
OTHER FINANCING (USES)				
Operating Transfers Out Agency 454, Fund 999)			0	(126)
TOTAL OTHER FINANCING (USES)	0	0	0	(126)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	1,181	24	1,205	221
FUND BALANCES–BEGINNING OF YEAR	24,842	512	25,354	25,133
FUND BALANCES–END OF YEAR *(Exh. B-1)*	$ 26,023	$ 536	$ 26,559	$ 25,354

The accompanying Notes to the Financial Statements are an integral part of this financial statement.

EXHIBIT B-3 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES–ALL AGENCY FUNDS

For the Fiscal Year ended August 31, 1991 (Unaudited)

	Balances September 1, 1990	Additions (Sch. 3)	Deductions (Sch. 3)	Balances August 31, 1991
DEPARTMENTAL SUSPENSE ACCOUNT				
ASSETS				
Cash	$ 27,196,704	$ 630,767,824	$ 649,562,476	$ 8,402,052
LIABILITIES				
Unallocated and Undistributed Receipts	27,196,704	630,767,824	649,562,476	8,402,052
EMPLOYEES' SAVINGS BOND ACCOUNT				
ASSETS				
Cash	0	109,113	109,113	0
LIABILITIES				
Funds Held in Custody for Others	0	109,113	109,113	0
STATUTORY DEPOSITS				
ASSETS				
Cash	0	*(Note 10)* 149,050	25,650	123,400
LIABILITIES				
Funds held in Custody for Others	0	149,050	25,650	123,400
UNCLAIMED DIVIDEND TRUST ACCOUNT				
ASSETS				
Cash	17,928	206,008	0	223,936
LIABILITIES				
Funds held in Custody for Others	17,928	206,008	0	223,936
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash	27,214,632	631,231,995	649,697,239	8,749,388
LIABILITIES				
Unallocated and Undistributed Receipts	27,196,704	630,767,824	649,562,476	8,402,052
Funds Held in Custody for Others	17,928	464,171	134,763	347,336
TOTAL LIABILITIES	$ 27,214,632	$ 631,231,995	$ 649,697,239	$ 8,749,388

The accompany Notes to the Financial Statements are an integral p rt of this financial statement.

ADDENDUM - GENERAL COMMENTS

1. The State Board of Insurance consists of three full-time members appointed by the Governor with the advice and consent of the Senate. Members serve six year over-lapping terms. Following are the members at August 31, 1991, their term expiration dates and annual salary rates:

Board Terms and Salaries

Name	Address (Texas)	Term Expires	Annual Salary Rate
Claire Korioth, Chair	Austin	1/31/97	$ 71,640 (A)
Richard F. Reynolds	Flower Mound	1/31/93	71,640 (A)
Allene D. Evans	Austin	1/31/95 (B)	71,640 (A)

Figure V- 11

Note A: Includes annual longevity payments.
Note B: Allene D. Evans was sworn in on July 12, 1991. She was appointed by the Governor to complete James E. Saxton, Jr.'s term of office

2. The Texas Department of Insurance's main offices are located in these state office buildings:

Office Locations

Location (Austin)	Square Feet
1110 San Jacinto	8,450 (A)
7915 Cameron Road	25,602 (A)
333 Guadalupe	399,000 (A)

Figure V- 12

Note A: A transfer of $1,110,953 to the State Purchasing and General Services Commission was made during the year for the maintenance and operation of these buildings.

Space is leased for other uses throughout the state as shown on the following page.

3. Department employees, Liquidation Activity employees, the Commissioner and Board Members are bonded up to $10,000 each by a public employee blanket honesty bond issued by The Fidelity and Deposit Company. In accordance with Article 21.28, Section 12(a) of the Tex. Ins. Code, the Liquidator, is required to be covered by a $10,000 public official bond. As a result of an oral order of the 200th District Court, Travis County, on August 9, 1978, the bond of the Liquidator was increased to $200,000 effective September 1, 1978. This bond is issued by the AETNA Casualty and Surety Company.

4. If the State Purchasing and General Services Commission, after considering all factors for a purchase requisition, takes exception to the justifications, it shall purchase the supplies, materials, services, or equipment as requested and report the reasons for its exceptions to the agency head or the chairman of the governing body, the State Auditor, the Legislative Budget Board, and the Governor. During the year ended August 31, 1991, the State Purchasing and General Services Commission issued two exception letters as follows:

Exception Letters

Vendor	Products Purchased	Amount
Syntrex Incorporated	Banyan Network Operating System	$ 305,000
Hebert and Associates	Implementation of Consultant Study Recommendations	98,000

Figure V- 13

5. During FY 91, the Texas Department of Insurance purchased the following vehicles:

Vehicles Purchased

Make / Model	Cost	Use	Fuel Rating
1991 GMC Hi Cube Van	17,850	Delivery and Moving	6 MPG
1991 GMC Medium Duty Truck	28,917	Delivery and Moving	10 MPG
1991 GMC 1/2-ton Pickup	10,049	Delivery and Moving	17 MPG

Figure V- 14

Summary Of Leased Space

Location (Texas)	Lessor	Use	Square Feet	Cost per square foot per Month	Annual Rent (A)
Abilene	Bank of Commerce	Fire Raters' Ofc	190	0.65	$ 1,482
Amarillo	Greiner-Madison Partnership	Fire Raters' Ofc	190	0.72	1,642
Angleton	Commerce Savings Assc	Windstorm Ofc	1,425	0.77	13,200
Arlington	The Prudential Ins Co of America	Examinations' Ofc	900	0.68	7,394
Austin	DPC, Inc.	Main Office	222,633	1.00	472,228
Austin	Twin Towers Limited Partnership	Fire Marshal's Ofc	1,575	0.86	5,408
Austin	Byron Properties	Liq. Warehouse	32,500	0.20	79,200
Austin	MRealty Corporation	Liq. Warehouse	14,400	0.03	5,400
Austin	Powell-Houston Prop.	Liq. Warehouse	62,400	0.25	186,000
Bay City	Western Gulf Savings and Loan Association	Windstorm Ofc	855	1.00	4,275
Bay City	William M Bell	Windstorm Ofc	550	0.87	3,360
Beaumont	W. E. Wilson Jr.	Fire Raters' Ofc	380	0.77	3,497
Beaumont	Brandon Barron	Windstorm Ofc	1,000	0.72 ft	
			686	0.88 ft	9,278
College Station	303 Anderson Co	Fire Raters' Ofc	184	0.80	1,759
Corpus Christi	Gulftex Ventures Inc	Fire Marshal's Ofc	800	0.80	7,518
Corpus Christi	G. L. Mathieu	Fire Raters' Ofc	290	0.69	2,993
Corpus Christi	ARC/Wilson Assoc.	Windstorm Ofc	2,407	0.78	22,530
Dallas	Western Gulf Savings & Loan	Fire Raters' Ofc	1,024	0.80	9,830
Duncanville	Leonard B. Carpenter	Fire Marshal's Ofc	1,621	0.88	17,993
El Paso	Flying Vista Joint Venture	Fire Raters' Ofc	180	0.90	972
El Paso	David Leeper	Fire Raters' Ofc	180	0.81	876
Fort Worth	Sun Life Assurance Company of Canada	Fire Raters' Ofc	660	0.68	5,400
Galveston	United States National Bank	Windstorm Ofc	2,735	1.05	34,505
Harlingen	Valley Mortgage	Windstorm Ofc	1,375	0.65	10,713
Harlingen	NCNB Texas Nat'l Bank	Fire Raters' Ofc	380	1.01	4,620
Houston	WPI 88 Partners, Ltd	Examinations' Ofc	700	0.65	5,460
Houston	Lamesa Properties, Ltd.	Fire Raters' Ofc	977	0.79	9,208
Lubbock	Bluebonnet Savings	Fire Marshal's Ofc	800	0.71	6,841
Lubbock	Bluebonnet Savings Bank FSB	Fire Raters' Ofc	583	0.71	4,876
Lufkin	E Leon & Verna Phillips	Fire Marshal's Ofc	980	0.56	6,615
Midland	Innson Corp.	Fire Raters' Ofc	490	0.64	3,700
Port Lavaca	W.S.P. Construction Company, Inc.	Windstorm Ofc	550	1.00	6,600
San Angelo	T. N. Price Company	Fire Raters' Ofc	190	1.23	2,783
San Antonio	Trio Partners, Ltd	Examinations' Ofc	700	0.73	6,129
San Antonio	Carl Duncan	Fire Raters' Ofc	668	0.85	6,814
Sherman	American Bank of Sherman	Fire Raters' Ofc	285	0.85	2,907
Texarkana	Richmond Development	Fire Raters' Ofc	190	0.95	2,132
Tyler	Murray Federal Savings and Loan Association	Fire Raters' Ofc	570	0.62	4,233
Victoria	R & B Properties	Fire Raters' Ofc	185	0.95	2,100
Waco	Stephen P. Hill	Fire Raters' Ofc	450	0.73	3,946
Wichita Falls	First Indiana Co, Ltd	Fire Raters' Ofc	150	0.68	1,227
Totals			359,988		$ 987,644

(A) Shows actual amount paid which may or may not be for a full 12 months.

Schedule 1 Summary Of Professional Fees And Services

For the Fiscal Year ended August 31, 1991 (Unaudited)

PAYEE	DESCRIPTION	TOTAL
AIS Risk Consultants	Actuarial Consulting Services	$ 78,064
Attorney General's Office	Legal Services	10,000
Barron, Newburger & Row	Legal Services	81
Bassett & Company	Presentation Skills Seminar	10,025
Bassett, Ronald	Training Services	250
BBC International, Inc.	Personal Development Program	417
BDO Seidman	Expert Witness	1,500
Bergvall, Gary	Property Appraisal	150
Birnbaum, David	Economic Consulting Services	4,993
Blazer, John Thomas	Property Appraisal	270
Botik, Terri	Fire & Burn Prevention Education Conference Trainer	128
Brown, Graham & Company	Audit And Accounting Services	20,034
Comptime, Inc.	Contract Programmers	27,412
Coons, Richard E., M.D.	Psychiatric Evaluation	335
Coopers & Lybrand	Financial Oversight And Early Warning Study	27,521
Corporate Concerns, Inc.	Ethics Training	15,343
Criner-Daniels & Associates	Contract Programmers	47,118
Cutler-Williams, Inc.	Contract Programmers	36,205
CW Systems	Contract Programmers	19,592
Deloitte & Touche	Develop Performance Monitoring & Reporting Process	9,750
Deloitte & Touche	Management Report Training	5,000
Deloitte & Touche	Statutory Agents Audit	166,054
Doehne, Linda	Structured Writing Seminar	7,920
Ernst & Young	Actuarial Consulting Services	19,379
Ernst & Young	Audit Of Cash Receipts And Disbursements	47,836
Ernst & Young	Tax Services	846
Ferrier, Peg	Record Retention Project	4,106
Fincher, Inc.	Contract Programmers	165,745
Ford & Ferraro	Legal Services	55
Ford, Ferraro, Fritz & Byrne	Legal Services	18,607
Gallagher, Cecily A.	Evaluation and Cost Analysis On Senate Bill 1	19,600
Gee, Eugene F., Jr.	Assist In Development Of Fraud Investigation Unit	7,423
Great Southwest Finance	Evaluation Of Mortgage Files	9,152
Heath, Davis & McCalla	Legal Services	15,455
Hebert & Associates	Licensing Group Systems Study	10,000
KPMG Peat Marwick	Job Analysis Survey	173,400
KPMG Peat Marwick	Tax Consultation	3,217
LMS Consultants	Contract Programmers	48,270
Mackeen & Bailey	Actuarial Consulting Services	6,360
Magnus Software	Evaluation Of Software Needs	46,365
Maley, Sheinfeld	Legal Services	1,505
Manatt, Phelps, Rothenberg & Phillips	Legal Services	13,816
McCarter & English	Legal Services	6,060
Mortgage Acceptance	Evaluation Of Mortgage Files	4,088
National Assoc Of Insurance Commissioners	Expert Witness	439
Oracle Corporation	Contract Programmers	196,749
Peace, Sandra	Systems Analyst For Agents' Licensing System	1,400
Phillips, C. Allan	Review Of IRM Divisions	9,500
POC-IT Management Services	Project Management Software Training	6,200
Price Waterhouse	Workers' Compensation Assigned Risk Pool Deficit	10,000
Ralph Kirkley & Associates	Contract Programmers	177,294
Records Management Consultants	Record Retention Project	25,032

SCHEDULE 1 (Concluded)

PAYEE	DESCRIPTION	TOTAL
Richards, Paula	Vertical Computer Systems Training	$ 800
Rubinstein & Perry	Legal Services	481
Sabre Data, Inc.	Design Installation For Printer Sharing Devices	150
Sager, Thomas	Statutory Agents Audit	4,900
Schrader, Tony L.	Expert Witness	2,719
Scott, Douglass & Luton	Legal Services	473
Securities & Exchange Commission	International Anti-Fraud Symposium Speaker	563
Software Productivity Research, Inc.	Computer Training	8,397
Software Training Services	Computer Training	104,510
Southern Bldg Code Congress International	Coastal Construction Training	3,100
Spectrum International	Project Management Software Training	5,500
Staples, Katherine	Writing Seminars	5,760
Strata Systems	Computer Consulting Services	695
Suncoast Scientific, Inc.	Analysis & Design Of Workers' Compensation System	308,560
Texas Commission On Human Rights	EEO Training	4,000
Thornton, Grant	Accounting System Evaluation	3,000
Tillinghast	Workers' Compensation Studies	136,000
Tillinghast	Reinsurance Speaker	152
University of Texas	Project Team Management Seminar	4,000
Wallace & Associates	Analysis Of NCCI Report: Senate Bill 1	3,000
Welborn, Dufford, & Brown	Legal Services	479
Zeldes, Ilya, Ph.D.	Expert Witness	1,154
TOTAL PROFESSIONAL FEES AND SERVICES *(Exh. II)*		$ 2,134,454

SCHEDULE 2 SUMMARY OF REVENUES

For the Fiscal Year ended August 31, 1991

	AMOUNT
TAXES	
Fund 001 - Workers Compensation Premium Tax - T.W.C.C.	$ 42,441,583
Fund 001 - Premium Taxes (Sch. 2A)	507,665,179
Fund 001 - Surtax (Sch. 2A)	473,804
Fund 001 - Administrative Services Tax	13,485,380
Fund 001 - Consumer Protection Assessment	932,334
Fund 001 - Workers' Compensation Research Center Maintenance Tax	842,402
Fund 001 - State Sales Tax	15,909
Fund 036 - Motor Vehicle Maintenance Tax	6,281,067
Fund 036 - Fire Maintenance Tax	20,017,835
Fund 036 - Workers' Compensation Maintenance Tax	12,839,008
Fund 036 - Casualty Maintenance Tax	6,414,007
Fund 036 - Title Maintenance Tax	1,292,552
Fund 036 - Life Maintenance Tax	4,684,240
Fund 036 - Third Party Administrator Maintenance Tax	332,392
Fund 036 - Health Maintenance Organization Maintenance Tax	1,749,477
Fund 036 - Prepaid Legal Services Maintenance Tax	6,637
Fund 036 - Burial Annual Association Assessment	44
Fund 961 - City Sales Tax	2,605
Fund 964 - City Mass Transit Tax	1,933
TOTAL TAXES	$ 619,478,388
LICENSES, FEES, AND PERMITS	
Fund 001 - Premium Tax - Penalty and Interest	$ 10,976
Fund 001 - Penalty In Lieu of Suspension/Cancellation	660,729
Fund 001 - Unauthorized Insurance Penalty	4,000
Fund 001 - Retaliatory Fees	164,232
Fund 036 - Catastrophic Pool Inspection Fees	195,906
Fund 036 - Workmens' Compensation Market Assistance Processing Fees	41,050
Fund 036 - Domestic Filing Fees - Life	626,994
Fund 036 - Domestic Valuation Fees - Life	2,215,427
Fund 036 - Retaliatory Fees - Foreign Life	(440)
Fund 036 - Filing Fees - Property and Casualty	334,239
Fund 036 - Retaliatory Fees - Foreign Property and Casualty	9,551
Fund 036 - License and Exam Fees - Insurance Adjustors	3,556,926
Fund 036 - Agents Certification and Clearance Letters	160,096
Fund 036 - Filing Fees - Third Party Administrators	(107,051)
Fund 036 - Filing Fees - Foreign Risk Retention & Purchasing Groups	13,271
Fund 036 - Examination Fees - Third Party Administrators	15,750
Fund 036 - Examination Fees - Salaries and Travel Expense	2,789,968
Fund 036 - Examination Fees - Overhead Assessment	6,676,610
Fund 036 - Examination Fees - Market Conduct	318,805
Fund 036 - Filing Fees - Policy Approval	652,445
Fund 036 - Filing Fees - Health Maintenance Organizations	116,571
Fund 036 - Filing Fees - Prepaid Legal	200
Fund 036 - Filing Fees - Insurance Premium Finance	96,783
Fund 036 - Examination and Assessment Fees - Insurance Premium Finance	180,612
Fund 036 - Filing Fees - Continuing Care Facilities	15,424
Fund 036 - Amusement Ride Safety Inspections	28,460
Fund 036 - License Fees - Fireworks	158,260
Fund 036 - License and Exam Fees - Fire Extinguisher	138,745
Fund 036 - License and Exam Fees - Fire Alarm	398,475
Fund 036 - License and Exam Fees - Sprinkler System	121,695
Fund 036 - Miscellaneous Certification Fees	921
TOTAL LICENSES, FEES, AND PERMITS	$ 19,595,630

SCHEDULE 2 (Concluded)

		AMOUNT
INTEREST INCOME		
Fund 001 - Interest on Local Deposits	$	3,952
Fund 001 - Interest - Other (Surplus Lines Premium Tax)		545,978
TOTAL INTEREST INCOME	$	549,930
SALES OF GOODS AND SERVICES		
Fund 001 - Sale of Publications	$	406
Fund 036 - Sale of Lists, Bulletins, Rating Data, etc.		158,629
Fund 036 - Sale of Computer Lists, Labels or Tapes		114,992
Fund 036 - Miscellaneous Other Sales		43,485
Fund 036 - Sale of Supplies and Services		4,625
TOTAL SALES OF GOODS AND SERVICES	$	322,137
OTHER REVENUES		
Fund 001 - Workers' Compensation Repayment	$	21,889
Fund 001 - Unemployment Benefit Repayment		52,414
Fund 001 - Warrants Voided By Statute of Limitations		4,811
Fund 001 - Other Miscellaneous Governmental Revenue		75
Fund 001 - Reimbursements - Third Party		432
Fund 001 - Sales Tax Discounts		103
Fund 036 - Warrants Voided By Statute of Limitations		1,552
Fund 036 - Reimbursements - Third Party		488,489
Fund 036 - Reimbursement of Conservation Expenses		263,806
TOTAL OTHER REVENUES		833,571
TOTAL REVENUES		$ 640,779,656

SCHEDULE 2A SUMMARY OF PREMIUM TAX AND SURTAXES COLLECTED

For the fiscal year ended August 31, 1991

COMPANIES/SOURCES	Premium Tax Amount (Fund 001)	Surtax Amount (Fund 001)
Occupation Tax, Penalty and Interest	$ 3,944,609	$
Domestic Life	12,925,816	32,856
Foreign Life	155,395,154	209,087
Foreign Life - Article 3.25	14,537	
Domestic Stock Fire	2,676	
Foreign Stock Fire	68,595	
Domestic Mutual Fire and/or Casualty	2,252,784	
Foreign Mutual Fire and/or Casualty	44,746,193	(3,988)
Domestic Stock Fire and/or Casualty	30,240,654	4,914
Foreign Stock Fire and/or Casualty	126,019,323	34,208
Domestic Stock Casualty	146,468	
Foreign Stock Casualty	4,724,057	
Mexican Casualty	158,172	
Domestic Lloyds	19,716,665	(1,961)
Foreign Lloyds	24,996	
Domestic Reciprocals	5,921,973	
Foreign Reciprocals	3,604,829	
Domestic Title	1,299,912	
Foreign Title	1,488,086	
Mutual Assessment Life, Health and Accident	12,317	
County Mutual Fire and Casualty	17,537,447	
Surplus Lines Premium Tax	39,651,391	160,359
Retaliatory Tax - Life Accidents and Health	2,114,589	
Retaliatory Tax - Property and Casualty	404,304	
Retaliatory Tax - Title Company	1,989,163	
Unauthorized Insurance Premium Tax	1,394,367	
Stipulated Premium	6,674,434	6
Nonprofit Corporations	19,914,498	
Domestic Health Maintenance Organizations	126,549	
Foreign Health Maintenance Organizations	68,945	
Domestic Retention Group	1,185,083	
Foreign Retention Group	148,382	(179)
Purchasing Group		2,162
Independently Procured Insurance	3,748,211	36,340
TOTAL	$ 507,665,179 (A) *(Sch. 2)*	$ 473,804 (B) *(Sch. 2)*

Note A: This amount represents gross premium taxes and does not reflect any refunds processed by the Comptroller of Public Accounts.
Note B: Art. 4.10 of the Texas Insurance Code expired on January 1, 1989. These surtax amounts represent prior years adjustments, receipts, and refunds.

SCHEDULE 2B COMPARATIVE STATEMENT OF REVENUES
1982-1991

FISCAL YEAR	TAXES COLLECTED	OTHER LICENSES & FEES	REVENUES	TOTAL
1982	$ 204,015,832	$ 9,817,775	$ 378,127	$ 214,211,734
1983	219,816,984	10,915,137	409,365	231,141,486
1984	363,666,816	12,920,157	503,863	377,090,836
1985	367,490,438	13,444,339	664,406	381,599,183
1986	412,021,788	15,472,796	504,000	427,998,584
1987	421,763,856	18,223,760	994,118	440,981,734
1988	568,044,203	23,270,176	511,123	591,825,502
1989	504,924,053	18,867,975	762,230	524,554,258
1990	559,904,196	20,207,130	1,261,158	581,372,484
1991	619,478,388	19,595,630	1,705,638	640,779,656

SCHEDULE 3 DETAIL OF ADDITIONS AND DEDUCTIONS–ALL AGENCY FUNDS
For the Fiscal Year ended August 31, 1991

	Departmental Suspense Account (Fund 900)	Employee's Savings Bond Account (Fund 901)	Statutory Deposit Account (Fund 921)	Unclaimed Dividend Trust Account (Fund 923)	Totals
ADDITIONS:					
Suspense Account Deposits	$ 630,767,824	$	$	$	$ 630,767,824
Payroll Deductions		109,113			109,113
Insurance Company Statutory Deposits			149,050		149,050
Unclaimed Dividends				206,008	206,008
TOTAL ADDITIONS *(Exh B-3)*	$ 630,767,824	$ 109,113	$149,050	$206,008	$ 631,231,995
DEDUCTIONS:					
Clearance to City -	$	$	$	$	$
Sales Tax Trust Account	2,605				2,605
Mass Transit Authority Tax Trust Account	1,933				1,933
Clearance to State -					
Sales Tax Trust Account	15,909				15,909
Clearance to General Revenue Fund 001	576,007,442				576,007,442
Clearance to Department of Insurance -					
Operating Fund 036	72,064,864				72,064,864
Refunds to Remitters	434,221		25,650		459,871
Returned Checks	1,025,920				1,025,920
Transfer to Other Agencies	9,582				9,582
Purchase of Employees' Savings Bonds		109,113			109,113
TOTAL DEDUCTIONS *(Exh B-3)*	$ 649,562,476	$ 109,113	$ 25,650	$ 0	$ 649,697,239

Texas Department of Insurance
333 Guadalupe Street Post Office Box 149104 Austin, Texas 78714-9104